Candidates too true to be good

#### World News Labour unrest Italian bank continues in Polish cities

Strikes continued in Poland's Baltic cities of Gdansk and Szczecin as behind the scenes negotiators representing Lech Walesa, Solidarity leader, sought to establish the ground rules for talks with the authorities. The Polish authorities are insisting that the Gdansk shipyard strike ends before talks can start. Page 14

#### S African crisis

South Africa has been pitched into a constitutional crisis by the Botha Government's decision to ignore white, coloured and Indian parliamentary opposition to harsher segregation laws. Meanwhile, 13 blacks were killed in Natal province in fighting over land.

El Salvador deaths At least 45 people have been killed and more than 20,000 left homeless after four days of rain in El Salvador.

Plea for gas victims Kurdish nationalist leader Masoud Barzani called on Turkey to open its borders to the victims of chemical warfare after what he said were fresh poison gas attacks in neighbouring Iraq. Page 3

#### **Rocard triumphant** Michel Rocard, French Prime

Minister, returned from a successful three-day tour in New Caledonia, amid growing signs that his position has been strengthened by the accord on the French Pacific territory.

#### **Guif talks stall**

Iraq Foreign Minister Tareq Aziz said his country would not allow peace talks to move forward until Iran agrees to stop searching Iraqi ships in the Gulf and allows the Shatt al-Arab waterway to be cleared

Perestroika biocked Alexander Shamov, Soviet govcentral ministries of blocking economic reform and urged faster creation of industrial concerns which operate free from ministerial control.

Chilean junta meets Chile's military junta will decide within two days on a candidate for the one-man presidential plebiscite tentatively scheduled for early Octo-

#### Five dead in crash At least five people were killed and 44 injured when two pas-

senger trains collided near Bregenz in western Austria, a police spokesman said. SS guard acquitted

A West German court acquitted former SS guard Wolfgang Otto of the murder of communist leader Ernst Thacimann at Buchenwald concentration camp in 1944, amid protests from the public gallery.

Strategic discovery Geologists said they had found reserves of the valuable strategic metal heryllium in northern Norway. The find could tern Europe's needs for the next decade.

First for women Spanish Civil Guard has accepted 195 women into its ranks, the first female recruits into the country's Paramilitary

Québec leader dies Jean Marchand, Québec labour leader and politician who helped Pierre Trudeau become prime minister, died aged 69 at his home near Québec.

police force.

Caviar couriers Customs officials in France said an East-West trafficking ring is smuggling high-quality Soviet caviar from Poland with the couriers usually middle-aged Poles in need of foreign

## Afghan cosmonaut

Afghanistan's first cosmonaut Argnamistan s must cosmonaut was launched into orbit by a Soviet Soyuz TM-6 spacecraft as Afghan President Najibullah declared a ceasefire in the fight against Moslem rebels for the most large stack. week-long flight

# Business Summary

## withdraws from Irving bid battle

YEAR-LONG campaign by Bank of New York to take over its cross-town rival, Irving Bank, enjoyed a large boost with the announcement that Banca Commerciale Italiana (Comit) had withdrawn as Irv-ing's defensive ally. Stock in Irving rose smartly, adding \$1% to \$68% in heavy busines

EUROPEAN Monetary System: Dealers last week believed the Bank of France intervened to support the franc after the Bundesbank raised its discount rate on Thursday. The D-Mark replaced the Irish punt as the strongest currency in the EMS, as interest rates in Europe were forced higher by the Bundesbank's move. Trading was subdued but nervous on Friday, with no further sign of Bank of France intervention.



ECU Day Parity Position The chart shows the two constraints on European Monetary System exchange rates. The upper grid, based on the weakest currency in the system, defines the cross-rates from which no currency (except the tira) may move by more than 24, per cent. The lower chart gives each currency's divergence from the "central rate" against the European Currency Unit

LONDON markets were closed for the Late Summer bank holi day. World stock market reports, which normally appear on the back of the second section, today are on Page 31.

(Ecu), itself derived from a bas-

ket of European currencies.

WALL STREET: The Dow Jones Industrial Index closed up 24 points at 2,041.43. Page

TOKYO share prices plunged on very thin volume. The Nik-kei average lost 299.81 to 27.379.10. Page 31

**DOLLAR** closed in New York at DM1.8725, Y134.55, SFr1.5790 and FFr6.3535. Page 27

**POUND** closed in New York at \$1.6795. Page 27

**MERRILL LYNCH Interna**tional has succeeded in making a hotly-contested \$50m three-year offering for Royal TrustCo interchangeable with an identical offering launched in July over the objections of a competing firm. Page 16

DRESDNER BANK, West Germany's second largest bank, is buying a 30 per cent stake in BNP-Ak Bankasi, joint ven ture bank in Turkey. Page 16

CONTINENTAL Illinois National Bank's Belgian sub-sidiary is being sold to Banco Hispano Americano of Spain and BACOB Savings Bank of Belgium. Banco Hispano is acquiring 75 per cent of the unit and BACOB the remaining 25 per cent, said a joint statement. Page 18

NEW ZEALAND entrepreneur Bruce Judge, pulverised by last October's stockmarket crash, has acquired a 19-9 per cent stake in Ariadne, formerly his principal Australian com-pany, through a surprise deal with Mr Larry Adler's FAI Insurances. Page 18

FIRST BOSTON of the US and Credit Suisse of Switzerland confirm they are discussing the creation of a global invest-ment banking firm by combining the businesses of First Boston and Financiere Credit owned by the two compar into a single private company.

GB-INNO-BM (GIB) the inter-nationally ambitious Belgian supermarket group, announced it had increased its stake in Scotty's, the Florida based chain of home improvement stores from 29.3 per cent to 42.7 per cent. Page 18

## Bonn bans aerobatic displays after air show disaster

No.30,628

A BAN on all low-level military aerobatic flying in West Germany was announced yesterday by Mr Rupert Scholz, the Defence Minister, as the deathtoll from Sunday's air show disaster at the Ramstein US Air base in southern Germany rose to 45.

A further 343 people were severely injured, many critically; following the accident in which three jets from the Italian "Freece Tricolori" acrobatic display team crashed, one

batic display team crashed, one of them bursting into a fireball amid thousands of spectators. The West German Govern-ment, which has faced mount-

ing criticism over low-level military flying after a spate of accidents in recent months, has also agreed with the allied forces in Germany to suspend all further military flying displays until further notice.

Meanwhile, the US forces have launched a preliminary investigation into Sunday's disaster. According to a US press officer, the full inquiry will also include the Italian and German authorities. and German authorities, although it is "not clear who will head the ultimate investi-

German politicians from across the political spectrum

have called for an end to aero-batic flying. According to Mr Bernhard Vogel, the prime minister of the state of Rhineland Palatinate, where Ram-stein is located, Sundays's show had been "one too many. It is certain there will be no more flying displays at Ram-stein." he wild

stein," he said. The Rhineland Palatinate is frequently used for low-level flying exercises by the Luf-twaffe and allied airforces. In early June, the state parlia-ment had voted against such missions following a number of

However, the "Flugtag" at

Ramstein, the largest US air base in western Europe, is a popular annual event. Sunday's crowd was estimated at

The accident occurred in mid-afternoon at the climax of a daring manoeuvre.
Two aircraft apparently collided, bringing down a third, which burst into flames among the crowd. All three pilots

Mr Helmut Kohl, the German Chancellor, yesterday assured victims and their relatives of fast and unbureaucra-tic assitance. However, none of

against the D-Mark (DM per \$)

the dead has yet been identified, and a US medical team has been called in from Texas to help cope with the burn vic-

team leader and two other

John Wyles writes from Rome: The Italian Green party yester-day called for the suspension of aerobatic displays by the Air Force team until safer performances could be guaranteed. Howwever, Mr Valerio Zanone, the Defence Minister, said that the "Frecce Tricolori" would honour their commitments for this season despite the loss in the Ramstein disaster of the



# **Commercial Credit** and Primerica plan \$1.7bn merger deal

By Roderick Oram in New York

TWO of Wall Street's most famous deal makers, Mr Sandy Weill and Mr Gerald Tsai, have agreed to a \$1.70n merger of their publicy traded compa-nies. They are creating a financial services giant spanning investment and mortgage banking, insurance and con-sumer finance with the largest sales force in the country.

Shareholders of Primerica, which Mr Tsai has headed since 1986, will be offered one share of Commercial Credit, Mr Weill's company, plus \$7 for each of their 52.4m shares. In early trading yesterday Primer-ica fell \$7/8 to \$29 1/4 and Commercial Credit slipped \$3/4 to \$24 1/2. Though billed as a merger, it

will be Mr Weill rather than Mr Tsai who will take the lead role. Mr Weill will remain chairman, chief executive and president of Commercial Credit while Mr Tsai will be a director and chairman of the executive committee.
The deal, through Primeri-

ca's Smith Barney brokerage firm, achieves Mr Weill's long standing goal of returning to Wall Street. He is highly regarded there for building up Shearson Lehman into the second largest securities house before selling it to American Express in 1961. He left Wall Street in 1985 after failing to become American Express's

chief executive.

Mr Weill and a group of close
colleagues took management control of Commerical Credit

when it was spun off by Control Data, the US computer group, in late 1986. They have group, m late 1986. They have moved fast to broaden. operations of the company which has deep roots in consumer lending to working and middle class Americans. It had assets of \$4.4bn and stockholder's equity of \$704.1m on June 30. Its income from continuing operations last year tinuing operations last year was \$101.5m on revenues of

For Mr Tsai, though, the deal marks the end of his ambitions to storm the financial services sector. He had sold his insurance companies to Primerica, then called American Can, in 1982. He set about transforming the industrial company into a service business, becoming its chief executive in 1986.

The strategy has had its setbacks, however. The metal can businesses discarded by Primerica are prospering while Mr Tsai has failed to use pro-ceeds from the disposals well.

Primerica has been particularly hurt by the performance of Smith Barney. Heavily dependent on retail brokerage and suffering large arbitrage losses, the old-line firm has been a severe drag on its parMr Tsai paid \$750m for Smith Barney in May, 1987. The price was 2.14 times book value, a ratio a little lower than earlier Wall Street deals but badly timed nonetheless. Primerica had no chance to use Smith Barney's sales force for its financial service products before the crash pushed the brokerage firm on the defen-

rumoured to be trying to sell Smith Barney but it seemed it could not attract offers much above its book value. In total Primerica had \$13.8bn of assets and \$1.38bn of stockholders' equity on June 30, and earned net profits of \$199m

Though Commercial Credit is only one-third the size of Pri-merica, Mr Weill has assemmerka, Mr well has assem-bled a management team whose strength and back-ground are far in excess of the company's pre-Primerica In addition to sorting out Smith Barney, they will move quickly to sell off parts of Pri-merica outside financial ser-vices. They said yesterday they were seeking buyers, for exam-ple for Fingerbut, a leading

in subdued trading, well above earlier lows of Y133.90 and ple, for Fingerhut, a leading mail-order company. Wall DM1.8590. There is a high Street believes it could be worth more than \$1bn which would help reduce Primerica's heavy long-term debt.

## **Dollar** continues to hold

'August 1988

ground By Janet Bush in New York

THE DOLLAR put in a solid performance yesterday, suggesting that it may take more than aggressive central bank intervention and last week's round of co-ordinated Euro-

pean interest rate rises to stop the US currency rising.

Foreign exchange dealers in Tokyo reported solid institu-tional buying of dollars against the Japanese yen which took the dollar to a high of Y134.35. As European trading began, there was buying of dollars against the D-Mark. The dollar closed in New York at Y134.55 and DM1.8725

degree of nervousness in New York currency markets about US policy towards the dollar. Events last week sent a clear message to the foreign exchange markets that the Group of Seven leading industrial nations is uncomfortable with any further rise in the dollar. Mr Karl Otto Põhl, the Bundesbank's president, was unusually forthright about his intentions to prevent a further

Continued on Page 14

## **Burma** opposition unites under former premier

BURMA'S previously unorganised opposition yesterday set up an alliance under U Nu, 81, who was the country's last civilian Prime Minister before the military took over in

a 1962 coup. The aim of the "Alliance for Democracy, Peace and Freedom" is to try to unify protest-ers calling for the ruling party to stand down and establish an

interim government.
Alliance founders include retired Gen Tin Oo, who is believed to be widely respected in the army and was impris-oned in 1976 by U Ne Win, the country's autocratic leader for 26 years until he resigned nom-inally last month.

So far it does not include two other emerging opposition fig-ures, Aung San Suu Kyi and Aung Gyi who have both spo-ken out publicly for an interim

There were reports they would be invited to join, as would representatives of the country's ethnic minorities, many of whom have been in in revolt against the Rangoon regime.

The Alliance is the first opposition group to be formed since U Ne Win toppled U Nu in a coup 26 years ago, setting up a one-party state that has presided over the country's economic decline. U Maung Maung, the current president elected on Aug 19, was a chief author of the one-party consti-tution. U Nu, who has been living in retirement in Rangoon following several years in exile after the conp. still enjoys considerable standing.

"He is trying to provide an umbrella for everyone to shelter under," a Rangoon-based diplomat said. Army and police have withdrawn from several

By Richard Gourlay in Bangkok

cities, since fierce demonstra-tions began in earnest early in August. In response to these riots, President Maung Maung promised that the party would discuss holding a referendum on multi-party democracy on September 12. Demonstrators have

rejected this, saying that street protests show that the people want an end to one-party rule.

The ruling party yesterday showed no sign of changing the date despite the unprecedented loss of civil control, fears of shortages of oil, food,

electricity and water, prison riots in which over 50 people have died and 5,000 prisoners have had to be released in the last three days.

Diplomats said that the ruling party, which crucially still seems to command the loyalty of the army, appears to want to push through with a referendum on multi-party democracy and possibly even pluralist elections. Protesters have told

diplomats, however, that since the army would control these polls there are no guarantees they would be fair. Demonstrators are thus keeping their pressure up, although no alliances or street protests are likely to topple Ne

Win's system while the arm

remains united and loyal, dip-On Sunday students formed an illegal students union on the spot where the last union building was burned down soon after Ne Win took power in 1962. One diplomat in Rangoon called it an "enormously symbolic" act.

At the weekend, newspapers began to print again and the influential Rangoon Lawyers Association rejected plans for a referendum and added to calls for an interim government.

## Britain's electricity boards at odds over privatisation policy

CONFLICT is developing with any independent power hetween Britain's Central Electricity Generating Board (CEGB) and the 12 area distri-bution boards about the terms on which the industry will be privatised in two years' time.
Mr Cecil Parkinson, the
Energy Secretary, has ordered that the differences must be resolved next month if his offi-cials are to meet their schedule for drafting legislation and licences by late autumn.
At issue is which part of the

industry should bear the poten-tially crippling risk of ordering power stations which may prove not to be needed after they have been built. In the US, many private electric companies were driven close to bankruptcy by over-or-dering in the late 1960s and 1970s. In Britain, the CEGB's

large excess capacity would be a financial embarrassment if it were operating in a competitive commercial market.

The Government's February policy document said the statuously policy document tory obligation to keep the lights burning will be trans-ferred from the CEGB to the 12 area boards, which will become private distribution companies.

CONTENTS

INTERVIEW

World Guide

companies to sell electricity to large industrial customers. After months discussing different forms of regulation and types of contract, the industry realises that this could expose distribution companies to high risks, while the industry's regulator will prevent them from making high profits. This

could make them unattractive to investors. The risk arises from the requirement for each distribu-tion company to meet its obligation to supply power by signing contracts for electricity to meet customers' expected demands several years ahead. If the demand failed to materialise, shareholders would have

to bear the cost of a contract for unneeded power. in an industry where power station costs are measured in hundreds of millions of

tomers and the freedom of industrial customers to transfer their custom to another electricity company. The power stations will be They fear that this danger divided between two private would be further increased if generating companies, which generating companies are will be allowed to compete allowed to poach in their terri-

Sir Paul Girolami, chairman of Glaxo, is widely credited with

taking the UK com-

pany from being an

industrial also-ran in

the 1970s to become

pharmaceuticals group

the fourth-largest

Financial Diary \_

tory by offering cheap electric-ity from power stations now lying idle. To minimise their risks, the

area boards want the Government to restrict the scope for generating companies to use surplus capacity to undercut prices in the industrial market. They will try to insist that, in the carve-up of the industry, they are given long to medi-um-term contracts for supply from all the most efficient power stations, leaving only the worst performers as sur-

They also want generators to be prevented from offering power from the surplus sta-tions at prices which reflect only running costs. As a further protection, it is being suggested that the obli-

gation to supply should be restricted to domestic custom-

ers,
If that proves politically
unacceptable, as seems probable, they are likely to ask for
restrictions, at least for a "settling down period," on the ability of industrial customers to escape into a free market. Another form of protection could be in the contracts which

the Government will write for the supply of power by gener-ating companies to distribution

# Quif cessefiret Oid scores undermine a settle-

Wall Street: The attempt to create new mechanisms for trading shares in bulk: .... Editorial comments Politics and security; The missing US agenda: .... Lext Consuming worries for UK retailers: ..... 14

Trillon: Limehouse Studios' switchback from London's Docklands to Piccadilly..... The Business Columns Currency fluctuations and the threat of global factory networks: ..... 32

**Management:** West German entrepreneurs

break from the restraints of caution: ...

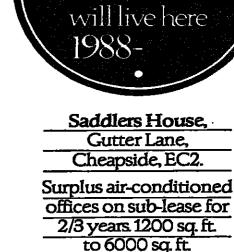
I STEED THE RILE OF	Ainne	IECIO Y INCINO 65.	-
international bonds			
Icti. Capital Marketa	16-13	Stock Markets	22-31
Letters			
Lex	14	-i.ondon	23-25
Management	10	Unit Trusts	20-28
Money Markets	27	Weather	14

## Move in the right circles



Lease for sale.

5,150 sq. ft. attractive self-contained office building overlooking Guildhall Yard.



SAUNDERS

BAKER SAUNDERS

COMMERCIAL SURVEYORS AND ESTATE ACENTS

Blackwell House Guildhall Yard, EC2.

Blackwell House Guildhall Yard London EC2V 5AB Fax 01-726 4122 Tel 01-726 2711



#### **OVERSEAS NEWS**

# Solidarity adviser sees new hope for dialogue after strikes

Despite public mistrust, the latest round of unrest may spur the Polish Government into talks, reports Leslie Colitt

HE CHANCES of a long-sought dialogue between the Polish leadership and the opposition to achieve a "national consensus" are, paradoxically, greater than before the latest outbreak of strikes in Poland, a prominent adviser to the banned Solidar-

Mr Bronislaw Geremek, adviser to Solidarity's leader, Mr Lech Walesa, since 1980, warned that if the dialogue did

not take place, then Poland faced "very difficult moments." "After two waves of strikes this year, a third wave will come — more radical, larger and thus more dangerous," he

predicted in an interview in his closely-watched flat in Warsaw's old town. "This is the chance, in the

last desperate moment," he "We have the potential for a consensus. It is a dramatic choice for both sides."

Mr Geremek said the considerable room for manoeuvre which the Polish authorities were given by Mr Mikhail Gorbachev, the Soviet leader, had until now never been exploited by the Polish leader, General Wojciech Jaruzelski. Instead, the apparent willingness of the authorities to talk was the result of the current strikes, he

"This system is sensitive only to mass pressure." A dialogue is regarded as essential if Poland's deteriorating economy is ever to be turned around. The leadership's plans for economic reforms have little chance of succeeding without participa-tion by the dispirited popula-tion, which deeply mistrusts

the party's proposals.

Poles needed to see a "little bit of hope" that the situation will improve, the adviser said.

Mr Geremek is expected to play a key role in the dialogue if it comes about. The central committee of the

party, in a resolution issued on Sunday evening, approved of "round-table talks" with the opposition to end the strikes but excluded those who rejected Poland's "legal and constitutional order". Earlier, however, the Polish Interior Minister, Mr Czeslaw Kiszczak, appeared to accept talks pro-posed by Mr Walesa but said the strikes had first to stop. The Solidarity leader, who has been inside the strike-

bound Lenin shipyard for nine

days, called for discussions based on three points: the legalisation of Solidarity,

socio-political pluralism and an

Outlining a "scenario" for ending the strikes, Mr Gere-mek said the legalisation of Solidarity would be separated from wage questions and local issues. The latter topics could be negotiated and the strike "suspended" "suspended."

The second step would be talks between Mr Walesa and the Government on legalising Solidarity as a union and not a political movement. Mr Geremek said he was

"extremely sceptical" about the prospect of talks, based on what he had heard from the weekend central committee

meeting.
"I think they want talks for

part, Polish Government offi-cials said Solidarity was forced by the lack of mass response to the strikes to come to terms with realities.

Mr Geremek noted that the opposition was trying to assuage the party's fears of reopening a Pandora's Box of demands by legalising Solidar-ity. A legalised union, he said, would not deal with political questions.

At the same time the opposi-tion wanted to talk with the authorities about the "political aspirations" of the population.

propaganda purposes, both internationally and domestically," he suggested. For their tions which the Government is preparing. Mr Geremek said he was hopeful that a "good law" would emerge as a result of the

latest strikes.
Earlier this year the Solidarity adviser raised the idea of an "anti-crisis pact" in a widely-noted interview with an official Polish newspaper. He said Poland's condition was so desperate that the opposition would be prepared to limit its goals and respect the party's leading role. The authorities, in turn he said would have to in turn, he said, would have to respect the right of Poles to self-organisation.

projects in China in return for tax guarantees and assured access to Chinese facilities. The improved relationship is largely the work of Japanese Prime Minister Noboru Takeshita.

Japan and

China sign

investment

agreement

JAPAN and China, traditional

enemies, have bypassed generations of enmity to begin a

The rapprochement, backed

by sizeable economic concessions from Tokyo, will boost Japan's industrial profile in

China, and provide Peking

with a \$6bn (£3.5bn) loan spread over five years. The two have signed an investment pro-tection agreement that will see Japan fund labour-intensive

By Pater Ellingson in Peking

new era of closer ties.

In a series of meetings in China with Chinese leaders, he managed to skirt sensitive bilateral issues, and persuade Peking of Japan's commitment to long-term investment.
With Taiwan and South
Korea both interested in Chi-

na's low wage manufacturing base, Mr Takeshita was deter-mined to cement ties and ensure Japanese capital perma-nent access to China's booming coastal region.

Jamaican parties move to end violence The leaders of Jamaica's two main political parties have signed a code of behaviour as part of an effort to reduce party political violence in an impending general election, writes Canute James in Kings-

About 600 people were killed in the last contested general election in 1980, and both Mr Edward Seaga, the Prime Min-ister, and Mr Michael Manley, the Opposition leader, said they wanted to prevent a repe-

The election is constitutionally due by mid-December, but Mr Seaga has not yet set a date

Iran objects to oil quota parity

Iran said yesterday that Opec should not give Iraq an oil pro-duction quota equal to its own, Reuter reports from Nicosia. State-run Tehran Radio broadcast a commentary rejecting the concept of equal quotas as Opec Secretary General Subroto arrived in Tehran to start negotiations aimed at resolving the dispute over Baghdad's

in shift 🏭

markets

· .

1.1

-

- 14 -

. By

- 共産

25 **839** 

វិការ

in ≨gg

٠. ا

: 410

. . . . 4

- FW

---

- - 15

. 127

-1---

15

41

IS IRANC

Renna #

tag yangan sa di

11 21 22 2 E

1 N 1

्रका असर्

Mulroney hints at autumn election

demand for parity.

Canadian Prime Minister Brian Mulroney has clearly indicated that the federal election will be held this autumn, writes Rob-ert Gibbens in Montreal.

Only under exceptional circumstances should a Government stay for five years rather than the traditional four, he

When asked if exceptional circumstances now existed, he replied: "No."

Seoul generals held after attack

Two army brigadier generals, including the chief of staff of the intelligence command, are being detained for questioning about an attack on a journalist who criticised the military, the South Korean Government announced yesterday, writes

Maggie Ford in Seoul. There were reports last night, that the intelligence chief had been dismissed. President Roh Tae Woo assured Opposition leader Kim Young Sam that a thorough inquiry into the attack would be held.

Delors plan for workers' rights

The European Commission is planning to release over the next week outline plans to improve workers' representa-tion, and guarantee access to training and other rights, writes William Dawkins in

Brussels.
Mr Jacques Delors, president
exacutive, set of the Brussels executive, set these out in an interview with a French newspaper yesterday as his main social policy priori-ties before the 1992 target for-creating a free single market.

PINANCIAL TIMES

PINANCIAL TIMES, USPS No 19060, published daily manpt Sundays and holidays. US subsuription rates \$365.00 per annum. Second-class postage and at New York NY and at additional multing offices, POSTMASTER, send address change to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 10022.

## **Bush survives Quayle problems** to keep lead over Dukakis

By Llonel Barber in Washington

IIS Vice President George Bush appears to have emerged almost unscathed from the troubles of his running-mate, Senator Dan Quayle, to hold a slim but steady lead in the polls over Governor Michael Dukakis of Massachusetts, his rival for the US presidency.

To judge from press comment this past week, Mr Bush's underdog days are over. Suddenly, the Vice-President is the centre of attention, grabbing the top slots on the nightly network news as he batters Mr Dukakis on the emotional themes of crime and patrio-

As Mr Bush said recently: "He is the governor who vetoed mandatory sentencing for drug dealers. He opposes capital punishment for drug kingpins. And he fought tooth and nail to keep that outra-

A US FEDERAL judge will

today attempt to clear a fog of

confusion surrounding the

future of Eastern Airlines, the loss-making Miami-based pas-senger carrier which is fight-

ing one of the most bitter labour disputes in recent US

Judge Barrington Parker will

today rule in district court in Washington whether Eastern,

one of the two main operating

subsidiaries of the Texas Air

group, can go ahead with plans to drop services from Kansas

CHILE'S military junta meets

today to decide on a candidate

for the one-man presidential plebiscite tentatively scheduled

If this candidate, who seems

almost certain to be General

Augusto Pinochet, wins a

majority of votes, he will begin a new eight-year presidential

term commencing next March

and ending in 1997. If he loses,

General Pinochet will stay in office for another year, until

The commanders of the

country's navy, air force and national police, along with

General Pinochet as army com-

mander, have 48 hours to

By George Graham in Paris

first ever drilling rig. Elf-Aquitaine, the leading

further drilling will be needed

open elections can be held.

for early October.

By Mary Helen Spooner in Santiago

geous furlough programme that lets murderers, rapists and drug dealers out on appeal."

Add the Vice-President's constant references to the Massa-chusetts governor's veto of a bill requiring teachers to lead students in reciting the Pledge of Allegiance and the tone of the Republican campaign and the probable cause of the turnaround in the polls begin to

His supporters argue that by Labor Day on September 5, the traditional opening of the presdential election campaign, Mr Dukakis will have his strategy sorted out and will focus his efforts in the key states needed to carry him to victory. California, Illinois, Texas, Pennsylvania and possibly Florida. But this presumes he has a

City airport which the airline

A ruling against the plan, which would have cut flights to 14 destinations in the US

west and the Caribbean from tomorrow, would be a major

setback for Texas Air's hard-

driving chairman, Mr Frank

Lorenzo, in his struggle to

force cuts in costs on Eastern's

workforce which is heavily unionised.

Some Wall Street observers believe that Mr Lorenzo could

Chile's junta to pick candidate

Although the other three have

on numerous occasions stated their preference for a civilian

candidate, they have apparently decided that a Pinochet

candidacy is preferable to an open display of differences at this crucial juncture in the 15-

One likely issue of debate at today's meeting is General Pin-

ochet's dual role as president and army commander, and the

three are pressing him to relin-

quish the latter post, should he

win the plebiscite and begin a new presidential term.

A poll released last week by the independent consulting

Elf finds oil under the streets of Paris

can be extracted economically.

PARIS has struck oil with its to determine whether the oil

decide on the candidate. firm, Gemines, showed that

says are losing money.

Ruling today on US airline

message to sell to voters. His summer campaign themes of the Iran-Contra scandal, US failure to oust General Norlega of Panama, and ethical miscon-duct in the Reagan administration, appear increasingly lack

stre. His pledge for good jobs at good wages and his warnings about instability in the US economy have run up against continuing evidence of eco-

nomic vitality. Even the Quayle controversy does not seem to have helped the governor and his running-mate Senator Lloyd Bentsen of mate Senator Lloyd Bentsen of Texas. Only 15 per cent of voters polled by the Gallup poller for the Times-Mirror newspapers said they thought less of Senator Quayle because of his military record; 69 per cent thought the issue had been inflated by the media. inflated by the media.

place Eastern in bankruptcy if

the ruling goes against him.
Judge Parker plunged Eastern and Texas Air into disorder

on Friday, when he confirmed

a temporary restraining order barring Eastern from cutting 4,000 jobs as part of the Kansas

City plan. But he left unclear

whether the change in flight schedules also violated US labour law.

Despite pleas by Eastern's lawyers to clarify the issue, Judge Parker put off his deci-

62.8 per cent of those polled in

Santiago said they would vote "no" in the plebiscite if Gen-

eral Pinochet were the candi-date. The poll also noted a con-

siderable decline in the number of undecided respon-

Government officials have

organised a pro-Pinochet rally

outside the presidential palace following the expected announcement of his candi-

dacy this evening, while oppo-

sition groups have called on Chileans to remain in their homes and beat saucepans in a

show of protest against the

Drilling in the heart of the Paris urban zone creates its

#### **Cabinet** pressure on Hawke

By Chris Sherwell

TWO senior Australian ministers have called on Mr Bob Hawke, the Prime Minis-ter, to determine when he will step down and to plan a han-dover to Mr Paul Keating, the

The calls reflect growing concern in cabinet ranks over public perceptions of a deterio-ration in relations between the two most important men in the country's most successful

Labor government.
The issue flared when Mr Hawke, in a television interview last week, discussed the



prospect of Mr Keating leaving politics. Mr Hawke said Mr Keating would be missed if he went, but that there was talent

went, but that there was talent to fill his position.

The idea of Mr Keating being dispensable promptly became front page news, undermining the impact of his optimistic budget and disturbing a number of ministers.

Mr Hawke was obliged to sive a second interview the

give a second interview the following day, in which he effusively praised Mr Keating and said he would be a great Prime Minister. But the issue did not die

down. Mr Keating was reported to be furious and over the weekend two minis-ters decided to speak out. Senator John Button, who leads the government in the upper house and was a key figure in Mr Hawke's acces-sion to the Labor leadership in 1983, was asked if the Prime Minister should settle a time

table with Mr Keating for the succession. He replied: "Yes". Yesterday Mr John Dawkins, the Education Minister and a member of the inner circle of memper of the inner circle of cabinet ministers, said the suc-cession had to be sorted out "and the sooner the better". Mr Hawke, 58, has led Labor

to an historic three successive election victories and says he plans to lead the party into the next election, due in 1990. He had indicated that he would step down in the current term, but has apparently changed his mind. Last week, in what he subsequently called a joke, he said he would not mind staying six more years. Still only 44, Mr Keating has

nomic policies and structural

#### segregation changes By Jim Jones in Johannesburg SOUTH AFRICA has been

Botha to stand by

pitched into a constitutional crisis by the Botha Govern-ment's decision to ignore white, coloured and Indian parliamentary opposition to harsher segregation laws.

The legal changes are designed to reverse the migration of black South Africans

into white residential areas and to prevent several million homeless blacks from setting up unauthorised squatter camps near cities and towns. The new laws contain provi-

sion for financial penalties for anyone who allows black peo-ple to live in unauthorised areas and for the eviction of illegal black residents even if no suitable alternative accommodation is available.

Under the 1983 constitution, introduced by the Botha Government after a referendum, changes to the Group Areas laws have to be agreed by all three houses of parliament before being promulgated. However the coloured and Indian houses have taken a stand and refuse to debate the legislation, effectively blocking its introduction under the con-

stitution.
In addition, the Progressive Federal Party and the Independence Movement, two white parties to the left of the Gov-ernment, have refused to debate the proposed laws in the house. The ultra-right Con-

Thirteen black men were killed in black townships outside four Natal Province cities, police said yesterday, AP reports from Johannes-burg. Residents said most were mutilated in fighting

In a separate incident, police fired teargas and sprayed purple dye from a water cannon at students who had gathered on a campus of the University of Durhan. Students and teachers said a rally of 3,000 students had been called to protest at the university's decision to expel 150 students who could not pay their fees and that two students were taken to hospital.

servative Party is to debate the new legislation, but says it provides inadequate protection for white South Africans, The Gov-ernment claims the Indian and coloured refusal to debate the legislation is a technicality and intends sending the legislation to the President's Council for approval and promulgation after debate in the white

ouse. The National Party has an absolute majority in the Council and the legislation's passage there will be without hin-drance.

## **Hungary and Romania** fail to resolve differences

By Judy Dempsey in Vienna

THE unexpected meeting on meeting to discuss the Roma-Sunday between President mian plan to create giant agrocu of Romania and Mr Karoly Grosz, Hungary's Communist Party leader, failed to resolve major differ ences but both sides regarded

the meeting as "useful".

The meeting, in the Romanian city of Arad, in Transylvania, came at Mr Ceausescu's suggestion and was the first between the two countries'

leaders for 11 years.

During that time relations between Budapest and Bucharest have noticeably deteriorated largely because of repeated Hungarian claims that the 1.7m ethnic Hungarians in Romania are being forci-bly assimilated.

The Hungarians used the

Fresh round of East-West talks

round of negotiations, East-West talks yesterday resumed in Vienna amid fresh hopes that agreement can soon be reached on several outstanding issues, writes Judy Dempsey

The Vienna review meeting of the Conference on Security and Co-operation in Europe (CSCE), which includes Can-ada, the US, and every European country except Albania, began in November 1986. Since then, East and West

says it will destroy Hungarianinhabited villages, ending centuries of Hungarian culture.

During a press conference after the nine hours of talks, Mr Grosz said that with the agreement of the Romanian

industrial complexes. The plan

involves razing several thou-sand villages and Romania

authorities, a special group of Hungarians would be sent to Romania to find out what exactly the plan entailed. But he cautioned against optimism about the "frank" talks. Mr Ceausescu indicated that he would consider family reunification for ethnic Hungarians and Romanians who fied to Hungary.

IN what could be the final have become deadlocked on arms talks and human rights economic co-operation and

humanitarian issues.

Differences narrowed just before the summer recess. It is expected that the Warsaw Pact might make concessions on human rights and humanitarian issues as well as certain aspects of security to get new talks on reducing conventional weapons in Europe started, possibly by the end of the year.

#### Elf said yesterday, however, that it regarded the preliminary result as encouraging. Elf, the operator of the Ivry well, has 50 per cent of the old own problems: the difficulty of finding a site has forced Elf to drill on the slant from Ivry. French oil company, announced yesterday that its rig at Ivry-sur-Seine, on the very edge of the French capi-tal, had come up with the black stuff at 1.972 metres. been Treasurer since 1983, pro-viding Labor with the intellec-tual and political driving force The 10 per cent increase in drilling costs could be worthexploration licence for the while, nevertheless, for the Paris region, with 35 per cent held by Total and 15 per cent entire Paris basin is estimated behind its deregulatory eco-It is not exactly a gusher and to contain 40m tonnes of petro-

Amiens seeks a place on the fast track to the coast George Graham on the French town which wants to be on the express train line to the Channel tunnel

T'S A good job that the London train from Dover stops at Victoria. The people of Amiens are prepared to go to almost any lengths in their battle to make the fast train between Paris and the Channel tunnel pass through their town, but it would have been too much to have to set up their stand at Waterloo. Others would have given up the battle already, for the right-wing Government of Mr Jacques Chirac decided against them last year, opting for a route passing 30 miles to the east, and Mr Michel Rocard, his Socialist successor, confirmed the decision this month. But the people of Picardy, a province of northern France

which has been the battleground of Europe since the 12th century, have a reputation for not eiving up easily. "We will win, because we are right," says Mr Joseph Gouranton of the Amiens chamber of commerce, one of the leaders of the fight to bring the Train à

the city.
This week the Amiens campaigners are taking their fight to London. They have bought plots along the route chosen by SNCF, the state railway, and are selling them at FFr10 (£9.38) per square metre. When SNCF starts to buy

the land for the TGV track, Mr Gouranton calculates, the paperwork involved in processing these thousands of smallholders will slow it up by six months. In his view, this rains the Government's claim that it cannot now change its mind without delaying the TGV line beyond the scheduled opening of the tunnel in 1993.

cemeteries and the commemo-

13th-century cathedral at Amiens testify, but the TGV protesters are adding a differ-ent twist to Brooke's poem. The Amiens campaigners base their argument on geogra-nhy. A line through Amiens, they argue, would make the TGV's journey time from Paris to Calais 22 minutes shorter

than the dogleg by way of Lille chosen by SNCF. As compet-tion with the airlines intensifies, the campaigners add, a saving of one minute is calculated by SNCF itself to win 40,000 extra passengers a year. S THE tide seems to

back on a second line of defence if the initial TGV line must go via Lille, why not bend it slightly to pass by Amiens, thereby shortening the length of the branch line SNCF has promised it will eventually build, and saving FFr3bn?

Halfway between Paris and the politically powerful centre of Lille, Amiens has already

"We are part of the region around Paris known as the white belt, because it never received any aid from the regional development authori-ties," says Mr René Lamps, the mayor of Amiens, who fears serious consequences for his town if it is cut off from the TGV link to the tunnel. TGV link to the tunnel.

In the first place there will be a sharp reduction in the number of trains which now link Amiens with Paris and Lille, Second, it will make things more difficult for the whole of the coast, from Boul-ogne down to Dieppe and Le

Havre, which will be cut off from the tunnel link," says Mr Lamps, in office since 1971. The Amiens protesters have, in fact, received financial support from Boulogne and the Norman capital Rouen, as well

By taking the campaign to London, the Amiennois hope to enlist support from British travellers, who will have an interest in shortening their journey time between London and Paris even if British Rail is dragging its feet over building a fast rail-link between London and

"The logic of taking the TGV route through Lille is the link with Brussels and the north of Europe, while the link with England has been treated almost with disdain. Yet the heaviest and most profitable traffic will be from London," comments Mr René Anger, a

Picardy regional councillor.
The fronty is that while the Picards are fighting to win the TGV, the inhabitants of Kent are just as keen to avoid hav-ing an express train passing through their countryside. For Mr Gouranton, mean-

while, the battle for the TGV has turned into a crusade against the technocrats, the coterie of graduates from France's top engineering school, the Polytechnique, whose old boy network spreads throughout the French admin-istration and who dominate the upper echelons of SNCF.

Though a Breton by birth, he has picked up the obstinacy of his adopted Picardy in his efforts to harry SNCF and the Government into accepting his point of view.

"In the end we have to win." because the chauffeur of the Prime Minister and the chauffeur of the chairman of SNCF can see just by looking at the map that their bosses are

Published by the Financial Times (Europe) Ltd., Frankfurt Branch, represented by E. Hugo, Frankfurt/Main, and, as inembers of the Board of Directors, F. Barlow, R.A.F. McClean, G.T.S. Damer, M.C. Gorman, D.E.P. Palmer, Loudon, Printer: Frankfurter Societaets-Drueckarei-GmbH, Frankfurt/Main, Responsible editor: G.D. Owen, Financial Times, Bracken House, Causen Street, Loudon ECAP 4BY. 6
The Financial Times Ltd, 1988.

#### Sweden's rulers face poll defeat By Robert Taylor in Stockholm

SWEDEN'S ruling Social Democrats are facing possible defeat in the general election on September 18, with the increasing likelihood that no political grouping will secure an overall majority in the next Parliament to ensure the country has a strong government.
An opinion poll by the SIFO

poll organisation in Sweden's second biggest city, Gothen-burg, records a sudden upsurge in popular support for the Green Party at the expense of the Social Democrats.

The Greens won 13.5 per cent support among a sample of 800 voters, the most they have ever won in a public opinion survey, while the Social Demo-

crats saw their support fall from 40.1 per cent in the 1985 general election to a mere 33 If this result is repeated in the real ballot in three weeks Sweden is going to enter a period of political uncertainty. In May this year SIFO recorded a 45.7 per cent vote for the Social Democrats in Gothen-

burg, which suggests there has been a dramatic erosion in the party's electoral support during the summer. At the same time the poll holds out little comfort for the opposition block, made up of the Moderates, Liberals and the Centre party who are likely to do no better than they did three years ago in Gothenburg. Together they would be likely to poll 44 per cent in the city

but this falls far short of the majority of votes they need to be able to form an administra-The Social Democrats are becoming increasingly alarmed about the general election campaign, which has thrown them on the defensive. Prime Minis-

ter Ingvar Carlsson is being compared unfavourably as an election campaigner with his murdered predecessor Olof Palme, whose combative style aroused the party faithful and hurt the opposition.

Some observers believe the party is making a major tactical mistake in treating the Liberals, led by the telegenic Mr

Bengt Westerberg, as the main enemy and focusing their attack on them. In 1985 Mr Westerberg was a genuine success and he is regarded today as the likely head of a non-So-

cialist government.
Until now the Greens have been treated with surprising respect by the traditional parties, but they are now posing the most serious threat to the famed stability of Swedish poli-

They have been able to capitalise on the genuine popular worries about environmental pollution, highlighted this summer by the mass death of seals in the North Sea, as well as a growing distrust of the old parties, particularly the Social Democrats, who have suffered adverse publicity in one scandal after another, undermining their reputation for compe-

The Greens have made it clear that they will support neither the Left or Right blocks in Parliament, choosing which side to support from issue to issue. Some observers fear this is a recipe for parlia-mentary chaos, something that Sweden has never suffered before though it is now com-monplace in its Nordic neigh-

The Social Democrats hope to concentrate the minds of the voters on the state of the economy during the rest of the election campaign, an issue on which they believe they have achieved a substantial success during the six years they have been in office. Mr Kjell-Olof Feldt, the Finance Minister, has hardly been able to contain his fury at the accident-prone nature of

his party's campaign. The latest scandal - the daughter of Sweden's most powerful union leader Mr Stig Malm queuejumped in acquiring a flat at a time when the unions are campaigning for equality of treatment in housing provision -has further embarrassed the Social Democrats, giving fresh ammunition for those who argue that the party has been abusing its power in recent

Grande Vitesse (TGV) through rative plaques in the beautiful

Some 3,500 plots have already been sold in Amiens, and letters arrive every day from the UK, the Netherlands and even Romania, offering to join the club. Picardy already boasts a good many corners that are forever England, as the numerous First World War

A move against them, the Amiennois have fallen

been bypassed once, by the motorway which links Paris to Lille. Without a major political leader to beat its drum, the town feels it has lost out to its northern neighbour, which is championed by former Prime Minister Mr Pierre Mauroy and by the present Transport Min-ister, Mr Michel Delebarre.

as from their own departmental and regional councils, for their FFram campaign.

#### **OVERSEAS NEWS**

# in victims of Iraqi gas

ma sign

in all parties

to the toke

e Profession

102.901

2 2

 $\mathcal{L}^{\infty}: \operatorname{Add} (\mathbb{C}_{\operatorname{\mathbf{ST}}_{\operatorname{\mathbf{ST}}}}) \subseteq \mathbb{I}_{\operatorname{\mathbf{ST}}_{\operatorname{\mathbf{ST}}}}$ 

----

នៅម្ចាស់ 🛪 (ន 👸

0.86 × 1200 × 21

This course

 $_{\rm constant} \sim$ 

The same and

 $c = \sqrt{\frac{1}{2} \frac{3}{4} \frac{M}{M}}$ 

KURDISH nationalist leader Masoud Barzani yesterday appealed to Turkey to open its borders to the victims of chemical warfare after what he said were fresh poison gas attacks in neighbouring Iraq.

Mr Barzani said more than 500 people had been killed and 3,000 wounded in the latest Iraqi chemical warfare offensive against the Kurds.

"Turkey has closed its border with Iraq and denies refuge to tens of thousands of Kurdish refugees," he said.

Turkey denied that it had sealed its borders. sealed its borders.

Mr Barzani is leader of the Iraqi-based Kurdish Democratic Party (KDP), which is fighting, along with other Kurdish groups, for autonomy in a region straddling Iran, Iraq and Turker.

Iraq and Turkey.
The Kurdish guerrilla leader asked the Turkish authorities to allow women and children as well as those affected by poi-

son gas to take refuge. He said Iraqi chemical attacks had intensified over the past two days in the districts of Zakho,

Amadiyah and Sheikhan.
Turkey's Foreign Ministry
yesterday denied that it had
closed its border with Iraq but
made it plain that Turkey
reserved the right to deal on humanitarian grounds alone with Kurdish refugees seeking sylum. Turkey reserved the right to take any measures necessary for its security, the ministry added.
Reports in Turkey indicate

that 6,000 to 8,000 Kurdish refugees have sought asylum in the past few days. The indications are that women, children, the aged and the infirm are being accepted, but that able-bodied men are being turned away. Some of the refugees entering Turkey have been handed

on to Kurdish villages in Iran, the reports add.

its international obligations, However, when signing the 1951 Geneva Convention and its 1967 annexe, Turkey reserved its position on its south-east borders.

This means it is obliged under the convention to accept

refugees from Europe but not from neighbouring countries in

the south-east.
The Kurdish Democratic
Party says it has 15,000 peshmergus – guerrilla fighters –
and 30,000 militiamen under arms and controls about 4,000 square miles of northern Iraq. In Geneva, where Iran and Iraq are holding UN-sponsored peace talks, Kurdish nationalists appealed last week to Mr Javier Perez de Cuellar, the Secretary-General of the United Nations, to help bring peace to their troubled region.

On Friday, the UN Security Council unanimously con-demned the use of chemical The ministry said Turkey weapons in the war between would act in accordance with Iran and Iraq.

## Pakistan's opposition demands removal of caretaker leaders

By Christina Lamb in Islamabad

POLITICAL PARTIES of all ul-Haq, killed in a mysterious shades in Pakistan have demanded the removal of the caretaker Government, claiming that it will use Government machinery to rig Novemher's elections.

Mr Mohammad Khan Junejo, the former Prime Minister, joined the chorus yesterday when he called on acting President Ghulam Ishaq Khan to dismiss the four provincial chief ministers - who split with Mr Junejo's Moslem League (PLM) over the week-end – and the federal cabinet, and replace them with caretaker administrators.

political parties cannot tolerate such partisan people in the government where they can manipulate and rig the forth-coming elections," a party said. President Mohammad Zia

air crash on August 17, sacked Mr Junejo's civilian Govern-ment and the provincial administrations last May. He nominated interim administrations, mostly PML members, to replace them until the November elections. These officials

The new Moslem League fac-tion brought about by the weekend split, hopes to form a pro-Zia coalition with Mr Ghu-lam Mustafa Jatoi's National People's Party and other right-wing forces, believing they can sweep to electoral victory as the inheritors of Gen Zia's leg-acy. Dr Mehbubul Haq, the finance minister said: "Strong sympathy has been arraysed by sympathy has been aroused by Zia's death and we intend to exploit this in the way Rajiv Gandhi used his mother's assassination."

Since its leading role in the creation of Pakistan, the Moslem League has traditionally been a party of the "haves." The formation of the new faction means that the election battleground is once again divided between pro- and anti-Zia forces. The pro-Zia lobby intends to exploit "Zia's martyrdom in rescuing Afghan-istan from the teeth of a super-power," while the anti-Zia forces will face the pitfalls associated with attacking a dead man.

Many members of the main opposition party, the Pakistan People's Party, feel that Ms Benazir Bhutto, their leader,

lost support by saying that "no one regrets Zia's death." Before his death most opposition parties had united on one platform - the ousting of Zia. Now they are struggling to find positive issues to agree on.

## Kurds urge Turkey to let Old scores undermine Gulf settlement

Andrew Gowers traces the 400-year conflict over the Shatt al Arab waterway

mong students of the tortured relationship between Iran and Iraq, the current Geneva negotiations on ending the Gulf war have provoked an overwhelming sense of dein me

ing sense of dējā vu.

Just hours after the opening of their talks, Mr Tariq Aziz, the Iraqi Foreign Minister, and Mr Ali Akbar Velayati, his Iranian counterpart, were back at loggerheads on one of the cen-tral questions which drove them to war in 1980 and an issue which has bitterly divided them and their forefathers for several centuries: control of the Shatt al-Arab waterway, which delineates their southern frontier.

Disagreement over the status of an earlier accord fixing the border and giving the two countries shared sovereignty over the waterway is holding up discussion of a timetable for further steps to consolidate the frail 10-day-old Gulf ceasefire, such as the withdrawal of troops and an exchange of pris-

oners of war.

The difference of view, with Iraq stating publicly on Sunday that the 1975 Algiers accord is null and void and Iran maintaining it is still in effect, underlines just how difficult the task of constructing ficult the task of constructing a durable peace between Teh-ran and Baghdad is likely to

The Shatt, an unprepossessing and these days early des-erted stretch of water which runs for 192km from the confluence of the Tigris and Euphrates rivers to the Gulf, has been a touchstone for relations between the powers on either side since the time of the Ottoman and Persian empires which preceded modern Iraq and Iran.

Marking part of an ancient 1900s, however, that the Shatt altural, religious and racial dispute came sharply into cultural, religious and racial dispute came sharply into divide between the Shia Moslems of Persia and the Sunni intervening to produce the

be called into question a decade or two later. Moslem Arabs, it has figured in around 20 treaties and 25 wars since 1555, by an Iranian calculation. Time and again, conferences have been held, surveys conducted and documents signed only to be called into question a decade or two later. Sven the waterway's name is in dispute: while the Arabs call it Shatt al-Arab (literally River

The ancient cultural, religious and racial divide

between the Shia Moslems of Persia and

the Sunni Moslem Arabs has figured in 20

treaties and 25 wars since 1555. Time and

again, conferences have been held, surveys conducted and documents signed only to

of the Arabs), the Persians pre-fer Arvand Rud, though nobody seems quite sure what As long ago as 1914, a mem-ber of an international com-mission established to draw up a "definitive" border between the Ottomans and Persians described the dispute as "a phenomenon of procrastination unparalleled in the chronicles of oriental diplomacy".

Since then, if anything, the sensitivity of the issue has increased with the rise of mod-

ern nationalism and the growth of conflicting economic interests around the waterway. The question, as always in such disputes, is where to start. Although frontiers were

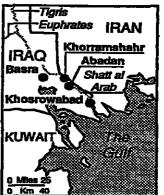
broadly set by the 1639 treaty of Zuhab, modern discussion of the issue tends to commence with the more precise Second Treaty of Erzerum, which was signed in 1847 and allocated the Shatt entirely to the Ottoman empire.

It was not until the early Now it was Iraq's turn to feel aggrieved as a result of a bor-der settlement which President Saddam Hussein now says he

Constantinople protocol of 1913. This allowed the Ottoman empire to retain control over the Shatt, but granted the east bank to Persia as well as enhancing its navigation rights. It was to be the basis of modern Iraq's claim, as successor to the Ottoman empire, to the waterway, a claim reaf-firmed by a further treaty negotiated in 1937.

Iran (as it became) was never happy with these arrangements. As early as the 1920s, the Shatt was one of the points at issue when trouble broke out in Kurdistan and along the central deterior. But along the central border. But the situation deteriorated sharply with the Iraqi revolu-tion of 1958, which intensified a series of rows over navigation rights, use of ports and payment of tolls. The disputes simmered until 1969, when Iran abrogated the 1937 treaty and sent gunboats up the Shatt, effectively taking possession of the thatneg or deepest channel in the waterway.

he seeds were thus sown for the Gulf war and for the current dis-pute. In 1975, when Baghdad was under heavy pressure from an Iranian-backed Kurdish insurgency in the north, the Iranian claim to half of the Shatt was confirmed in an agreement signed in Algiers.



only accepted under duress. Iraq's 1980 invasion of Iran was at least in part an attempt to expunge this memory, and was preceded by the famous TV appearance in which Saddam tore up the Algiers accord.

Now that the wheel has turned full circle and the fighting is over, what are the issues of substance raised by the Shatt? The main one arises from Iraq's constant worry about being virtually land-locked. The waterway, which needs frequent dredging, is its only outlet to the Gulf, and the entire livelihood of its second city, the port of Basra. Apart from the Shatt, Iraq's coastline stretches only 15km along the Gulf compared with Iran's

In the early days of the war Iraq had to shut down its rich southern oilfields, and its inability to export crude by tanker forced it to develop an extensive pipeline network across Turkey and Saudi Arabia. In theory, this means that Baghdad should not have to worry about getting its oil out by sea, but in practice, it will always want to use tanker routes as a hedge. And in any case, it will not forget in a hurry the trauma of being

dependent on roads from Kuwait, Jordan and Turkey for

imports.

Iran, too, has a big economic and strategic stake in and around the Shatt. Its port of Abadan grew in importance in the 1970s and is the site of a big oil refinery. It also hed. big oil refinery. It also had a naval base on the waterway at Khosrowabad. Kharg island, Iran's principal oil export ter-

minaa, lies only 48km offshore. Nevertheless, the principal significance of the Shatt issue today for both sides is probably symbolic. Western diplomats following the talks believe that in a rational world the idea of shared control would be a perfectly good starting point for negotiation. But in restating waterway and declaring the Algiers accord null and void, the Baghdad regime is looking for a moral victory after forc-ing Tehran to sue for peace last month. In making clear that the 1975 agreement is non-negotiable, Iran is seeking to save some face after this year's disastrous setbacks.

Both seem to be exploiting the issue, as they have for centuries, as a reflection of their wider regional rivalries. For the moment, the ceasefire remains in place, but with 1m troops on each side still confronting one another and Iraq still occupying sizeable pockets of Iranian territory near the central town of Mehran, ten-sion is likely to remain high. The Shatt al-Arab remains

blocked with an eight-year accumulation of silt and with the hulks of numerous ships. Even assuming the two sides can eventually agree on how to proceed, it will cost huge sums to clear. Given the ancient legacy of irrational distrust, it is hard to see an atmosphere of peaceful coexistence quickly or waterway.

#### SHIPPING REPORT

#### **Business slow in** dry cargo and tanker markets

By Kevin Brown. Transport Correspondent

THE volume of inquiries in both the dry cargo and tanker markets tailed off last week, surprising brokers, who had forecast an upturn in business after the summer doldrums. Galbraith's, the London bro-

kers, said rate levels weakened slightly in the Middle East Gulf for very large crude carriers, particularly for cargoes for

eastward voyages.

For example, the Chinese
Petroleum Corporation persuaded an owner to accept Worldscale 38.5 for a cargo of 240,000 tons to Taiwan, at a time when Worldscale 42.5 was regarded as the going rate.

A few fixtures were recorded for Red Sea discharge, but none for delivery to the West, except a 310,000-ton targo for Exxon at Worldscale 35.

Elsowhere

Elsewhere, rates improved slightly in West Africa, but there was little activity in the North Sea. Brokers said rate levels appeared to have bot-tomed out in the Caribbean and the Mediterranean, where a 25,000-ton parcel was report-edly fixed at Worldscale 135 for

a cross-Mediterranean voyage. In the clean market, brokers said quoted business was virtually non-existent, and private business was extremely thin.

CONSULTANT Attending Farnborough Air Show Trade Days Additional

TEL: Mr. Box 01-648 5740

#### Paris conference says 1992 single market is 'dangerous'

world trade agreements could be threatened by new regional accords, but said that they remained cautiously optimistic, Reuter reports from Paris.

Members of the United States-based Aspen Institute cited such bilateral pacts as the US-Canada Free Trade Agreement or the creation of a

Single European market by the end of 1992 as being potentially dangerous for world trade. Mr Hisashi Owada, Japanese ambassador to the 24-nation Organisation of Economic Co-operation and Development (OECD), said that the dangers for world trade were far from past. "Fragmentation is one

danger and we have to look at how to integrate," he said. New economic communities uch as a unified Europe would be forced to look inwards if multilateral trade agreements were not maintained, said Mr William Eberle, a former top economic adviser in the US dminstrations of Presidents Richard Nixon and Gerald eral trade accords.

AN international group of industrialists and politicians yesterday warned that existing and a former US ambassador to Italy, said that the world trade order was poised between inte-gration and disintegration. But he added: "There is a feeling of cantious optimism."

The three men were speaking after a weekend seminar that brought together industri-alists and politicians such as Mr Jacques Delors, Europe Community president, Mr Umberto Agnelli, vice-presiand Mr Toyoo Gyohten, Japa-nese Vice Minister of Finance for International Affairs and one of Tokyo's key economic

Also present for the first time in the 38-year history of the Aspen Institute were two Soviet economic policy experts. The seminar was held ahead of a December ministerial review in Montreal of the current round of General Agree-ment on Tariffs and Trades (Gatt) talks now going on in Geneva. It focused on ways of solving problems in multilat-

WORL	ECONON	HC INDICAT	ORS
 INDUST	RIAL PRODU	CTION (1980 =	100)
			% chi
			OVE

<b>J8</b>	126.8	125.8	125.3	120.3	+5.4
UK	June '88 116.6	May '88 117,6	April '88 116.5	June '87 111.4	+4.7
V. Germany Netherlands Japan	May '88 109.0 103.0 130.0	April '88 109.0 103.0 131.9	Mar '88 110.0 105.0 132.9	May '87 108.0 107.0 117.3	+0.9 -3.7 +10.8
<del></del>				Source: (excep	i US) Europtet

## **MORGAN STANLEY**

takes pleasure in announcing the relocation of its

SWISS FRANC WARRANT AND CONVERTIBLE BOND TRADING

from London to Zurich as of August, 29th, 1988

Daniel Hegglin Benno Bründler

Jürg Tanner

Willi Nauer Russell Pfeiffer

Telephone: 01 / 220 91 11

Direct: 01 / 220 94 50 01/2209460.

# Paris Change Brings

# Expanded Service

Today, Mitsui Bank's Paris Representative Office becomes a Branch Office to offer expanded services directly to our clients in France.

Mitsui Bank stands in the forefront of innovation in the financial community. In both commercial banking and capital market operations, we have the experience and the expertise necessary to meet the most

sophisticated needs of our customers worldwide. With the upgrading of our Paris operation, we look forward to playing an even more positive role in expanding European financial markets.



32, Avenue Hoche, 75008 Paris, France Tel: 4562-6644 Fax: 4225-7941 General Manager: Susumu Sakamoto

Europe Division Headquarters 3 London Wall Buildings, London Wall, London EC2M 5PD, United Kingdom Tel: (01) 256-9494 Telefax: (01) 256-9378

London Branch 34/35 King Street, London EC2V 8ES, United Kingdom Tel: (01) 606-0611 (7 Lines) Telex: 888519, 888757, 888902

Mitsui Finance International Limited 3 London Wall Buildings, London Wall, London EC2M 5PD, United Kingdom Tel: (01) 628-4400 Telex: 886107

1-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100, Japan Tel: (03)501-1111 Telex: J22378, J22559, J22643, J22644

## **Broadcasters'** plea to Thatcher on standards

By Raymond Snoddy

BRITAIN'S producers yesterday appealed to Mrs Margaret Thatcher, the Prime Minister, to think again her plans for a statutory Broadcasting Standards Council to supervise the portrayal of sex and violence on British television.

Broadcasters said they saw no useful role for a Council which could have little influence over satellite channels transmitting from outside the UK, when television channels based inside Britain were already within the jurisdiction

of an existing authority.
Sir William Rees-Mogg,
chairman of the Council
(which has been set up but does not yet have legal authority) has promised to seek agreement on a code of practice on matters of taste across the television industry.

Broadcasters at the final session of the Edinburgh International Television Festival appealed to the Prime Minister to see that no further action is taken towards establishing the BSC as a statutory body until full industry agreement

television has been reached in respect of

Council will be included in a wide-ranging letter to the Prime Minister which will also in a multi-channel system and the danger that individual afford imported material.

Mr Anthony Smith, depart-ing director of the British Film Institute, who chaired the session, said he hoped the Prime Minister would make a final check before publishing her broadcasting white paper to ensure adequate resources the maintenance of an indigenous production industry."
The "Memo to Maggie" will

firming and strengthening the programme remit of the independent Channel 4;
• retaining the BBC licence fee to safeguard the Corporation as "a solid edifice at the heart of our industry;" and the vital role of independent

# Union row looms

TWO BRITISH trade unions, the ACTT television technicians' union and the EETPU electricians' union, could be set for a recruitment battle in the satellite broadcasting

industry.

The prospect of conflict between the ACTT and the. ity of working. EETPU, which is almost cer-tain to be expelled from the Trades Union Congress next week, emerged after the disclo-sure that one satellite station is to withdraw recognition from unions and another is to seek a single-union, strike-free

Both unions said yesterday that they were likely to seek recognition at British Satellite Broadcasting, which announced during a debate at the Edinburgh International

this proposed code." Their comments on the warn of the threat to standards channels could be so poorly financed that they could only

also emphasise: • the importance of recon-

# for satellite TV

By John Gapper and Raymond Snoddy

Television Festival at the weekend that it wanted a

strike-free deal. Mr Bob Hunter, managing director of the NOW channel one of three to be launched by BSB in autumn 1989, said he also wanted complete flexibil-

The company's move is likely to present the ACTT with a choice between signing a strike-free recognition agree-ment, against the terms of the TUC's new draft code of conduct on single-union deals, or giving up existing members to the EETPU.

Mr Rupert Murdoch's Sky Television admitted during the same debate at the festival that it was to end recognition of the ACTT before a switch to new £15m headquarters in Osterley,

#### **Couriers** get ready for postal strike

By Our Labour Correspondent

PRIVATE sector mail companies were busy making preparations yesterday in the run up to the 24-hour strike by 140,000 Post Office staff due to start at midnight over special recruitment payments to staff in the south-east of England

But they were very much preparations for business as usual, rather than an onslaught on the Post Office's business. For although some companies may claim to be ready to step into the breach, none would claim they had the capacity to provide an alternative general mail service, especially during a short dispute. It would take primary legis-lation to abolish the Post

Office's monopoly on all mail costing less than £1, but the monopoly could be suspended for an indefinite period by statutory instrument, a procedure which would normally take three weeks. But even if this happened it seems unlikely private couriers would be able, or willing, to fill the breach.

Securicor Express, one the

largest private parcels companies, calculates that even if all the private companies comthey would still be unable to match the Post Office. It would be almost impossible for private sector companies to match the Post Office's volume, unit costs and prices. Most private sector managers estimate they would have to charge close to £2 for

an 18p letter.
At the time of the last threatened postal strike, before Christmas, TNT Roadfreight, which has led private sector criticism of the Post Office's monopoly, said it would have to recruit an extra 20,000 staff and establish an extra 9,500

But the Post Office could lose business both to private sector carriers keen to expand their share of the international business mail market, and on time-sensitive, express mail.
Inner city blke courier services indicated they expected to pick up trade; British Tele-com and Mercury, the telecommunications companies, could benefit from a temporary increase in facsimile traffic.

# Taking a gamble on Employment Training

Charles Leadbeater reports on an ambitious job initiative launched this week

HE LAUNCH on September 1 of the Government's most ambitious training programme to date for the unemployed is, on the face

of it, an enormous gamble.
The programme, entitled simply Employment Training, is intended to provide an average of six months' training for 600,000 unemployed adults a year, at a cost of £1.5bn. This single programme will replace 37 separate schemes for the adult unemployed, which have been introduced piecemeal over the last decade. Or to put it another way: the Government is putting all its eggs in a

none too secure basket. The programme is substantially modelled on the New Job Training Scheme, introduced last year with the aim of providing unemployed young adults with on-the-job training. The scheme has been little short of a disaster.

It is providing little more than one quarter of the 110,000 places planned; many trainee drop out in the first few weeks and according to internal Training Commission reports those that remain do not get high quality training during their spells with employers. Despite these discouraging antecedents, ministers are con-

fident Employment Training will get off to a much better start than the New JTS. The Government is determined that with the labour market tightening, unemploy-ment falling and the number of new entrants on to the job market also on a down trend for demographic reasons, schemes for the unemployed should deliver a clear route

Thus the emphasis will switch from providing temporary work, but little training, under the Community Programme, to providing skills training, on employers' premises, through Employment Training. Even if the programme does not provide much by way of training, the argument goes, it will help the unemployed get on to the lower rungs of a company's internal lebour market ledder

The new programme does start off from a much stronger base than its predecessor. Contracts to provide the 600,000 six month long places will be signed by the end of next month. More than 1,000 training managers have been

internal labour market ladder.

appointed to arrange courses for trainees, and 200 training agents are in place to provide trainees with initial counselling on which occupations they

should train for.
Employment Training will not have to deliver all its places in one go: it will only have to replace Community Programme schemes as they come to an end during the next year. So it will have to grow by about 30,000 places a month to

meet its targets.
But its chances of success crucially depend on whether employers will be prepared to offer work placeme The Commission expects

labour market pressures to push companies into the scheme, even if they are ini-tially sceptical. Skill shortages in the construction industry have, for instance, led major employers

such as Wimpey and Laing

into the programme. Sainsbury, the supermarket chain, will offer work placements, partly to help it overcome recruitment difficulties in the south-east. It also believes it needs to start

EMPLOYMENT

recruiting adults for jobs traditionally done by young people, because of the fall in the number of school leavers.

TRAINING

A further push comes from the fact that the Youth Training Scheme cannot meet demand: more employers are offering work placements to youngsters than there are young people to take them. In time, the Commission believes, companies will come round to the idea of filling the gap with adults

An internal Training Commission report in June reported that more than 30 major employers, including Austin Rover, Barlcays Bank, WH Smith and Woolworth, were negotiating contracts for

the scheme. A number of strong Chambers of Commerce, such as those in Birmingham and Sheffield, will also be

involved. However, there are still a number of problems to be over-come. The Confederation of British Industry, which supports the scheme, nevertheless notes that many companies do not know enough about it, and that others have reservations. One reason is that employers

will be expected to pay £5 a day towards the cost of training those on work placements. Overall, employers will be expected to provide about £150m a year towards the scheme.

However, two of the largest employer schemes - a 3,000 place programme planned by the Clothing Industry Training Board, and one with 6,000 places organised by the Con-struction Industry Training Board - will in effect pay employers to provide the training. The implication is that this was necessary to give the schemes a chance of success. Many manufacturing companies are equally not interested

in recruitment: they are still shedding labour. British Asso-space, for instance, has closed a number of sites in the last two years and is concentrating on retraining among its 140,000 employees. It does not plan to take part in the programms.
The Commission argues that

ET will provide trainees capable of highly skilled work. A fifth of trainees may need help with literacy and numeracy; but another fifth will have at least one 'A' level exam pass, indicating education to university entrance standard. Even so, many employers doubt the scheme will be able to provide the workers they need, particularly in new technology areas. Mr Tony Page, personnel director at Dowty, the engineering company, which is considering whether to partici-pate, commented: The main question is whether it fits in with our training and recruit-ment plans. In the main we need skilled labour, and the skills we need are becoming more complex. This scheme seems unlikely to help us to fill

those vacancies." For these reasons it is likely a majority of the programme's work placements will be in the service sector. But even here, employers are demanding higher skills as well. British Airways, for instance, with 40,000 UK employees, does not plan to participate.

Lloyds Bank, in common with many other large companies, will not be participating because it is confident of its ability to compete in the youth market, through its long established Youth Training Scheme. In the public sector, the Commission expects 110 local authorities to participate. But there will also be significant and substantial opposition, particularly in Scotland. In Liverpool, local government opposition to the scheme could be especially damaging: with about 31,000 employees, it dwarfs local private sector employers as a potential pro-vider of work placements. Indeed the situation could

get worse if the Trades Union Congress decides at its general congress next week to boycott the scheme. Already some major employers, such as Ford, are unlikely to participate because of union opposition. A TUC boycott would almost certainly persuade others to join

## Employers are lukewarm about scheme for out-of-work adults

a lukewarm response to the launch on Thursday of Employment Training, the Government's £1.5bn a year programme for the adult unemployed, Charles Lead-

beater writes.

Ministers regard the programme as a significant provement on previous special employment measures because it is intended to offer unemployed adults periods of on-the-job training with

The programme is planned to offer an average of six months' training for 600,000 unemployed adults a year. It is planned that trainees would spend about 60 per cent of their training period gaining work experience on employers premises. Employers are expected to pay £5 per day per trainee towards the cost of

But the Confederation of British Industry, which helped to draw up plans for the

had reservations about it which might prevent them from taking part. This could make it difficult for the programme to provide the planned level of work experi-

It is understood several major manufacturers have told the Training Commission, the Government's job training agency, that they are unlikely to take part because they are still shedding labour. British Aerospace, for instance, said it was concentrating on retraining its existing employees rather than planning recruit-

In the banking and finance sector, Barlcays Bank has been in negotiations with the Commission to provide places under the programme. But Midland Bank and Lloyds Bank said they would be rely-ing upon their well established Youth Training Scheme programmes for recruitment. Some manufacturing compa-

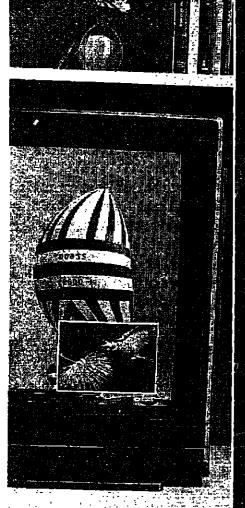
tions difficulties of introducing the programme could be too costly, with saveral unions already opposed to the scheme, and the TUC next week likely to decide on some form of boycott.

cerned that the industrial rela-

However, Employment Training does seem likely to be popular among retailers. Marks and Spencer, WH Smith, and Woolworth Holdings have been negotiating with the Commission over providing places. Sainsbury, the supermarket chain, said it would be participating to help ease recruitment difficulties in the south-east, and to establish the south-east, and to establish new patterns of recruitment to ate for the fall in the number of young people coming into the labour market.

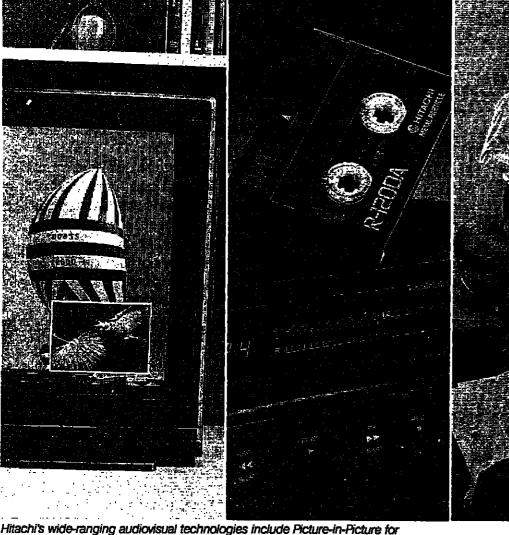
Skill shortages have per-sauded the major construction companies to participate, as. well as the clothing industry's industry training board,

AV should be more than faithful sight and sound reproduction. Ideally, it also creates drama and ambience.



simultaneous viewing of more than one programme on a single TV screen, DAT, a high-density projection display, and frame memory used in IDTV.









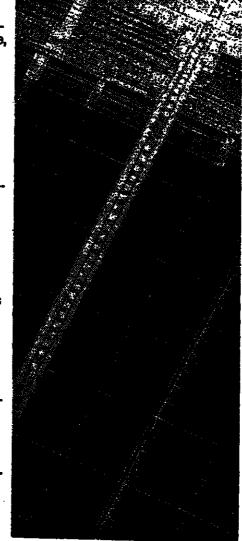
Digital technology (the conversion of conventional signals into computerized zeros and ones) has led to a remarkable prolifera-tion of audiovisual uses — in TV, for example, for more diversified and sophisticated programming and information services accessible through computer connections or videotex terminals. And this is only the beginning.

Hitachi's scientists and engineers are using digital applications such as frame memory to develop Improved Definition TV.
IDTV will greatly improve picture quality without changing current broadcasting standards by doubling the density of scanning lines and increasing vertical resolution 1.5 times. This same Hitachi technology has resulted in the Digital Audio Tape recorder, which is capable of superior recording and reproduction.

Hitachi's original screen technology has led to high-density big screen projection TV. using screens up to 110 inches. It is contributing to a wholly new technology, High Definition TV. HDTV is capable of photographic quality resolution and will soon enable satellite services to transmit wide screen images that give the viewers the feeling of actually being there.

We link technology to human needs, and believe that our special knowledge will lead to numerous easy-to-use systems and products with highly advanced functions.

Our goal in audiovisual — and in medicine, energy and transportation as well — is to create and put into practice products and systems that will improve the quality of life the world around.



Hitachi, Ltd. Tokyo, Japan

We a abe han Espec Fortu Sushall 3 ibetter atr all since thol, in a And, Vauxhal deither u

<sup>ideed</sup>, any

ienny, bec

What

FINANCIAL TIMES THESDAY ALIGHST 30 1988

# IT'S NOT JUST VAUXHALL DRIVERS WHO'LL BENEFIT FROM OUR FREE UNLEADED PETROL CONVERSION.



We all know leaded petrol can be harmful.

Especially for growing kids.

Fortunately, by driving a Vauxhall you can help create a better atmosphere.

We can adjust any model built since August '85 to run on unleaded petrol, in a matter of minutes.

And, unlike the engines of our major competitors, all Vauxhalls will run perfectly well after the conversion on either unleaded or ordinary 4-star leaded fuel. (And, indeed, any combination of the two.)

What's more, you won't have to cough up a penny, because until December 31st the adjustment is

absolutely free.

Just ring 0800 444 147 or fill in the coupon and we'll send you all the necessary details of how to become one of the converted, of charge.

PO Box 35, Abingdon, Oxon OX14	
MR/MRS/MISS (Initials)SURNAI ADDRESS	BLOCK CAPITALS PLEASE
POSTCODEAGE (if	under 18)
Present car(s) Make/Model (eg Vauxhal	l Cavalier 1.6L Estate)
l	•
1. Year of registration	2. Year of registration
1. Company Car   Private	2. Company Car Private



VAUXHALL. ONCE DRIVEN, FOREVER SMITTEN.

# face hefty rise in tax return costs

By Richard Waters

times its current level, said Mr Martin McLellan, a tax partner at Coopers & Lybrand, the accountants.

Mr Roger White, of Peat Mar-wick McLintock, said he expected the cost to double at least. Expatriate clients of the firm's London office already pay at least £500 to have their tax return completed, though those who are part of a pack-age arrangement with a large employer are likely to pay considerably less.

These extra costs will arise if the Inland Revenue adopts radical proposals for changing the basis of expatriate tax, which were announced in a recent consultative document. Anyone spending more than a set period in the UK would be forced to declare worldwide income and capital gains to the authorities, not just earnings

FAR-REACHING changes to the way expatriates are taxed in the UK could treble the cost to adjust all records and com-The average compliance cost for an expatriate executive working in the UK is likely to go up to about \$1,000 cr. the uke the u

sultative document, Residence: The Scope For UK Taxation Of Individuals, has provoked strong objections from tax pro-fessionals on other grounds as well. According to Mr John Andrews, partner in charge of tax at Coopers & Lybrand, it makes a superficial case for

that arise in the country. gone through the whole pro-This requirement would cess," said Mr White.

## **OFT** to probe travel insurance practices

By David Churchill, Leisure Industries Correspondent

carrying out a preliminary investigation into the practice by which travel agents link holiday insurance with the sale of package holidays.

The OFT is acting on com-plaints from small independent travel agents that the leading chains are using their market power unfairly and thus acting anti-competitively.
If OFT officials agree with

these complaints a formal investigation will be launched under the 1980 Competition Act which could eventually lead to the Monopolies and Mergers Commission deciding if the practice is against the

public interest.

The issue at stake is travel agents' insistence that low deposits or discounts for package holidays are available only to those customers who also buy travel insurance from the

Small agents believe that the larger chains are able to offer such deals because of their size. In the present competitive to determine whether the market, they claim, this is forc- larger chains can secure prefering small agents out of busi- ential insurance terms.

The Inland Revenue's con-

overhauling the system.

Accountants and lawyers

claim that the amount of tax paid by expatriates would not increase as a result of the changes, even though one of the Revenue's stated objectives is to force people benefiting from living in the UK to pay more UK tax. Some individuals would simply refuse to disclose information about their over-seas activities.

"Twe got a feeling that at the end of the day they'll be pay-ing no more tax after having

THE OFFICE of Fair Trading is booked through its shops to customers who buy insurance cover at £16.50.

Thomas Cook says that it offers holidaymakers the chance to pay only a £5 deposit on holidays if they agree to buy its £15.95 travel insurance

> "But this only operates as a special offer during certain times of the year," said a Thomas Cook spokesman.

> Other leading travel agencies offer similar special deals and these are likely to be emphasised over the next few weeks in an attempt to persuade holidaymakers to book early for next summer.

> All the travel agencies stress that buying insurance from them is not compulsory and that holidaymakers are free to forego the special offers and make other arrangements. However, in practice, few holidaymakers do so.

The OFT officials will have

In addition, some small The Lunn Poly travel agency agents also argue that the chain, the largest UK agency, offers discounts of between £5 large chains is inadequate.

# Expatriates may | Forecasts for growth and consumer spending revised upwards

By Raiph Atkins, Economics Staff

STRIKING CHANGES in forecasts for the UK economy since the beginning of the year are highlighted in a Financial Times survey published today.

The compilation of forecasts by 21 independent forecasting groups points to strong eco-nomic growth this year, with investment, manufacturing

Gross domestic product is expected to grow by 3.8 per cent on average this year -higher than the 3.1 per cent shown in the last survey in

output and consumer spending all increasing at an exceptional

Investment is forecast to grow by at least 10 per cent this year. The previous survey also showed strong growth but only of about 6 per cent. However, the survey shows independent economists are far more pessimistic about the cur-

In April, a deficit of about £5bn was expected this year and about £6bn in 1989. These have now been revised to show forecasts of about £10bn or £11bn in both years. Some forecasts for next year show defi-

rent account deficit both in

1988 and 1989.

cits as large as £14bn. Even these forecasts are

probably on the conservative side. All the forecasts were made before last week's trade figures which showed a record £2.15bn deficit in July.

This is likely to lead many forecasts being revised upwards again, unless figures for the next few months show a dramatic turnaround. Figures for economic growth, investment, consumer spending, imports and interest rates are also likely to increase. On inflation, the forecasts

also show a more pessimistic

outlook than in April. If the City economists prove correct, the annual inflation rate could be approaching 6 per cent before the end of the year.

Other highlights of the survey include: High interest rates of about
 per cent for the remainder
 of this year and in 1989. The forecasts were made before last week's 1 percentage point increase in base rates to 12 per cent and many groups will

probably revise up their esti-• A fall in the value of sterling. The Bank of England's sterling index is expected to average 76.1 in 1988, falling to

• Import growth continuing to outstrip export growth. This year exports of goods and services are forecast to grow by just 2 per cent while imports rise by nearly 9 per cent. Next year a narrowing of this gap is

The survey shows the fore-casts of most independent forecasting groups differ greatly from the Treasury forecast published at the time of the Budget. This forecast is not included in the FT average.

The overall results should be taken with a fair-sized pinch of salt. The FT average is a simple unweighted average that takes no account of differences in measurement of the different variables.

For some measures, the survey does not compare exactly like with like. Some of the forccasts for interest rates and exchange rates are based on yearend estimates which may distort the annual averages. Nor has any account been taken of different assumptions underlying economic models used by the forecasting groups.

	(Unemployment, sterling index and interest rates are average over period. Balance of payments in £bn. Retail price inflation is year to fourth quarter. Others are percentage change over 12 months. Dash indicates information not available)																						
		De	Gross Domestic Product		Consumer		output huring mizge (),	ا ا	Fixed estment		Retali price offation	Une	mploy ~ ment Illions	Bala pays	nce of ments rrent count	Ster to (19)	rikng dex 75= 10)	Interio	rest ns noth	eolui -		voki Impi	
	Date	1988	1989	1988	1989	1988	1989	1988	1989	1968	1989	1988	1969	1988	1989	1988	1989	1988	1989	1988	1989	1988	198
Treasury	Mar	3	2.5	4	3		3.5	6.5	5	4	4			-4	4	_	_			3		6.5	<del></del>
Contederation of British Industry DRI Europe Henley Centre Ernst & Whileney ITEM Club Liverpool University London Business School National Institute OECD Oxford Economic Forecasting	Aug Aug Jun Aug Jun Aug Jun Jun	4.2 3.8 3.2 3.7 4.0 3.4 3.9 3.5 3.4	3.2 1.9 1.9 2.6 2.6 2.4 2.4 2.25 2.5	6.2 4.7 5.5 5.2 6.4 4.6 5.3 5.0 5.4	4.0 2.4 2.8 3.4 3.2 3.1 2.7 3.25 3.5	7.2 3.8 6.0 5.8 - 4.5 5.1 5.0 6.0	4.0 5.2 2.8 3.5 3.6 1.9 2.5 3.0	12.8 10.0 9.3 8.1 - 8.3 10.1 5.75 11.9	4.4 1.7 1.1 2.1 3.8 6.4 4.0 4.25	5.2 4.6 5.4 5.8 5.0 4.8 4.8 3.26 5.5	5.0 4.9 5.2 4.5 3.9 4.3 5.6 3.25 4.8	24 280 235 25 22 242 23 -	25 228 2.13 23 20 237 2.0	-11.1 -10.3 -8.9 -8.3 -7.3 -5.0 -11.2 -5.75 -10.4	-8.7 -10.2 -10.1 -8.0 -8.1 -4.9 -13.4 -7.5 -6.5	78.0 74.8 75.9 75.7 77.1 78.0 78.4 –	73.9 67.8 74.8 74.0 75.2 73.0 74.5 -	9.4 9.4 10.1 9.6 9.2 8.6 9.4 -	10.4 10.2 11.3 10.0 9.1 9.0 10.5	3.3 2.6 1.4 1.0 - 2.6 0.8 2.0 0.3	7.5 5.9 3.5 3.5 5.1 6.0 2.0 4.2	12.3 8.0 8.3 7.1 7.3 9.5 7.75 8.4	5.4 3.9 4.9 5.2 7.2 4.25 5.0
CL-Alexanders Laing Cruickshank Credit Suisse First Boston Goldman Sachs Greenwell Momagu Hoare Govett James Capel Lloyds Bank Morgan Grenfell National Westminster Phillins & Draw	Aug Aug Aug Aug Aug Aug Aug Aug	3.2 4.25 3.8 4.0 3.9 3.5 3.6 3.5 3.5 3.5	1.4 3.5 2.1 3.0 2.6 2.0 2.8 2.4 2.4 2.3 2.1	5.2 6.5 5.6 6.0 5.5 4.8 5.6 4.8 6.0	22 5.0 3.2 8.5 8.0 2.9 3.8 2.7 2.9 4.2	5.3 6.5 5.3 6.9 5.5 6.3 6.0 6.3 4.5 5.4	1.4 6.0 4.1 4.0 3.5 3.7 8.5 2.7 2.5 2.0	8.5 10.0 11.6 11.0 8.5 9.3 12.0 11.5 6.0	1.2 5.0 4.5 4.0 3.5 3.8 6.7 2.9 3.4 2.8	5.7 5.25 5.4 5.5 5.3 5.2 5.5 5.9 5.7 5.6	4.7 4.5 4.0 4.6 4.3 5.1 4.3 4.5 4.5	2.42 2.3 2.37 2.4 2.37 2.36 2.3 2.36 2.45 2.37	2.42 2.0 2.23 2.1 2.06 2.10 2.2 2.0 2.2 2.3	-11.0 -10.0 -9.9 -10.0 -9.5 -10.0 -13.2 -10.2 -10.0 -11.6	-10.8 -9.0 -11.4 -8.0 -9.0 -11.25 -14.1 -11.4 -7.0 -14.3	75.9 77.0 76.6 76.0 77.1 76.7 76.5 76.4 76.6	71.4 76.0 78.1 74.0 78.5 77.5 75.5 76.8 76.1	10.0 11.0 10.0 9.75 10.85 10.1 10.0 9.9 9.9	9.0 9.5 9.5 10.25 9.1 70.1 11.0 9.7 9.8 11.5	1.5 2.5 1.8 2.0 3.8 2.7 2.7 0.4 3.0 1.5	4.0 4.9 3.0 2.8 3.1 2.8 4.1 3.9 4.1	8.5 9.4 9.0 8.8 8.7 10.1 9.4 6.0 9.7	5.0 8.0 4.4 7.5 6.2 4.7 7.5 4.5

FORECASTS FOR THE UK ECONOMY

ers are rounded to nearest ½ point while torecasts for 1989 are based on first half only. OECD, CSFB rounded to nearest ¼ point. GDP: Liverpool, exverage measure. Consumer spending: Liverpool, non-durable consumption. Retail price inflation: Liverpool, av for year. OECD, av consumer prices. erpool, National Institute, 3-month Treasury Bill. DRL London Business School, Phillips & Drew, base rates. CSFB, Hoere Govett, Warburg Securi

#### OBITUARY

#### **Lord Peart:** Labour leader in both Houses

old Wilson, has died aged 74.

In 1976 he was appointed

LORD PEART of Workington, who as Mr Fred Peart was Min-ister of Agriculture and Leader of the Commons under Mr Har-Lord Peart was elected MP for Workington in 1945, a seat he held for 31 years. He was appointed Agriculture Minister when Labour won power in 1964, becoming Leader of the Commons in 1968, After Labour's 1970 election

defeat, he lost to Mr Roy Jen-kins in the election to succeed Mr George Brown as the par-ty's deputy leader. He served as an Opposition spokesman on House of Commons matters, defence and agriculture, again becoming Agriculture Minister when Labour won in 1974.

Leader of the House of Lords - the first parliamentarian since Benjamin Disraeli to have been Leader of both

## UK share of popular drugs market rising

THE 10 BIGGEST-SELLING UK DRUGS

BRITISH drug companies are increasing their share of topselling products in the world's £60bn-a-year pharmaceutical

UK companies accounted for 10 of the top-selling medications in 1987, two more than the year before. This number of products in the top 50 was bettered by only the US, which had 20 of the biggest-selling medications, three fewer than

The figures come from an annual survey of pharmaceuticals published by Robert Fleming Securities, a London stock-Japan was the only other country whose pharmaceutical

mpanies showed an improve-Japanese pharmaceutical industry was responsible for seven of the top-selling prod-ucts last year, compared with five the year before. West Germany's tally went

BRITISH Shipbuilders is close to a deal on the future of a dozen ferries built by its clo-sure-threatened Sunderland

subsidiary, North East Ship-

The corporation's lawyers have been negotiating since April with lawyers for Mr Hen-

rik Johansen, a Danish shi-powner and property developer

who ordered 24 small ferries from NESL in 1986. The contract was cancelled by British Shipbuilders after a

dispute over equipment specifi-cations and the schedule for

stage payments amounting to

several million pounds.

Two ships were delivered, and are in service between

Denmark and West Germany. Ten are berthed in the River

By Kevin Brown, Transport Correspondent

Zantac inderai Amoxil Zovirax Augmenti Fornum/Fortaz

up from four to five while the performance of Swiss compa-nies, which accounted for six products in both years, remained the same. Italy and Sweden each ment similar to the UK accounted for one drug in the between 1986 and 1987. The top 50 in 1987, compared with one and two respectively a

year earlier. Among UK drug companies, Glaxo, Britain's biggest, accounted for three of the top-selling medications. Zantac, its

of some of the completed fer-

ries to Mr Johansen, and the sale of the rest to other Danish

buyers.
This would be in line with

Mr Johansen's plan to operate 12 ferries through his own companies and sell 12 to other

shipowners. The ships were

designed for use in the crowded waters around the

Danish islands.

The disposal of the ferries would end an embarrassing

chapter for British Shipbuild

ers, which has incurred sub-stantial losses on the contract

and is running out of berthing

However, there is no prospect that an agreement with Mr Johansen could revive the original contract for 24 ships.

British Shipbuilders declared

1,000 lay-offs at NESL last week, and these will go ahead. The Government has invited

bids for NESL as part of the

space for the unsold ships.

anti-ulcer product, was the world's biggest-selling drug for the second year running with revenues of £367m, while Ventolin, which combats asthma, was 13th in the league table with sales of £237m.

1987

Fortnum/Fortaz, a Glaxo antibiotic, crept into the table in 50th position, notching up sales of £132m. Imperial Chemical Industries was also responsible for three of the 50 top products, with

break-up and privatisation of

British Shipbuilders, and the

company faces closure unless a

private sector purchaser is found by the end of September.

Three potential buyers have declared an interest, but none

has made a detailed offer. They

are Mr Peter Zacchi, the

designer of the cancelled fer-ries, Mr Alex Copson, who wants to use NESL to build a

fleet of waste disposal ships, and Mr Nat Puri, head of Mel-

ton Medes, a Nottingham-based

engineering group.

There is little hope that
NESL can be saved, at least in

its present form. A private sec-

tor hid would be viable only if the purchaser could also win a

proposed £100m Cuban order.
The Government has indicated that a subsidy of about

225m would be available to a private buyer. But the contract would provide work for only.

one of NESL's two yards.

Beecham accounting for two and Fisons and Welicome one All the British companies

were, however, a long way behind Merck, the US company which is the world's biggest drugs concern and which accounted for six of the top 50 products in 1987. "Merck's abilproducts in 1987. "Merck's ability to translate its research into revenues continues on this crude analysis to be greater than that of any other company," says Robert Fleming.

Of individual UK drugs,
Zovirax, Wellcome's anti-viral product, made a rapid advance

in 1987, entering the top 50 list for the first time. Robert Fleming believes drugs to treat diseases of the heart and blood system will continue to account for the

largest single product group in terms of sales. Pharmaceutical Products

Worldwide, 1988. Robert Fleming Securities, 25 Copthall Ave-nue, London EC2R 7DR.

#### Group aims to attract executives to Labour

By Tom Lynch

A PRESSURE group aimed at making the Labour Party more attractive to young entrepreneurs and business executives will be launched at the party's conference in Blackpool in

(10)

ACUTE PRI

BE

1 - 27

11:50 g

17

Establist

tered one leaved

22/24

5-4

HHILL AND

Will F OUR

் முழித்

State of F

The organisers of Enterprise For Labour acknowledge that it will be among the most derided of the many ginger groups campaigning on the conference fringe.

They expect to be dubbed yupple socialists, champagne socialists and worse, as they argue for policies geared to enterprise and efficiency. Mr Frank McKirgan, an

assistant vice-president at a US financial institution in the City of London, cheerfully affirms that the purpose of launching RFL in Blackpool is to confront the hard core of mainly left-wing activists who dominate the constituency sec-tion of the party conference. "They will be most hostile to

us, I would imagine," says Mr McKirgan who, as a constitu-ency activist, has some experience of left-wing scepticism. Apart from acting as a sea

side coconut shy for the far left, EFL hopes to rally sup-port for Labour from among the young professionals, exec-utives and self-employed who do not equate material success with the abandonment of

with the abandonment of socialist values.

Mr McKirgan rejects the expected "yuppie socialist" label, arguing that while EFL members might have prosperous lifestyles, they do not share the "money-grubbing attitude" associated with it or the commitment to self.ed. the commitment to self-ad-vancement at the expense of

He defines the group's target audience as people out of university for a few years, who were once politically active but feel Labour is no longer

their kind of party.

He said those who stayed in the party found their contemporaries "turned off" by Labour because they did not think it was for party like. think it was for people like

Mr McKirgan argues that Labour is never going to be elected again "unless it has something to say to people who don't see themselves as disadvantaged or dispos-

and underlighed encourage that the Annual Report for the year onded March 31, 1886 of Nispon Maid Pack-ers. Inc. will be available in Luconbourn as

Bank Mess & Hope N.V., Kan-Associates N.V. atdam, 19th August 1966

MPPON MEAT PACKERS, DIG.

Pierson, Hekiring & Pierson N.V.,

Commercial sponsors are September Issue

MALI LIMITE PROPERTY

a major form of revenue for the Olympic Games and Japanese companies usua)ly take the lion's share. This issue of Business Tokyo looks at why those

same Japanese corporations are failing to participate strongly in Seoul. We also look at where they are spending their money, instead. Find out why the Japanese are interested in MAKING MONEY, NOT



**Editorial Office:** KEIZAIKAI BUILDING 2-13-18 Minami Aoyama,

Minato-ku, Tokyo 107 Japan

**CAZINEZZ JOKŁO** 



#### WESSANEN

#### Report to holders of Depositary Receipts for shares of Koninklijke Wessanen N.V.

Today the Board of Managing Directors of Koninklijke Wessanen N.V. announced an interim dividend of Dfl. 0.72 per share entitled to a dividend over the financial year 1988.

Further to this announcement the undersigned hereby state that payment, with effect from September 8, 1988, of the interim dividend of Dfl. 0.72 per Dfl. 5.00 Ordinary Share less 25% dividend tax, will be effected upon tender of coupons bearing the number 7.

The coupons may be tendered at the Amsterdam offices of the Amsterdam-Rotterdam Bank N.V. and Pierson, Heldring & Pierson N.V. The rights to payment of holders of BDR's of the CF-type shall be made available through the institutions with which dividend sheets for their certificates are deposited at the end of the working day on August 29, 1988.

Amsterdam, August 26, 1988 Stichting Administratiekantoor van aandelen Koninklijke Wessanen N.V.

#### Weir, and two more are expected to be launched soon. The negotiations, said to be at a delicate stage, are believed to centre around the delivery Labour calls for

patients' charter By Tom Lynch

A PATIENTS' charter to measure the quality of hospital treatment should be estab-lished, says Mr Robin Cook, shadow Social Services Secre-tary, in a pamphlet published

establishment of

Mr Cook says the Government concentrates on quantity rather than quality of treatment in hospital performance statistics.

A charter would let patients assess whether they were treated with respect as well as competence. Mr Cook is conducting a

Labour Party review of health care to be published at the same time as the Government's review of health funding. Life Begins at 40: In Defence of the NHS, by Robin Cook. Fabian Society, 11 Dartmouth Street, London SW1H 9BN.

## Software company set to win US Army order

By Della Bradshaw

A BRITISH software company cant share of a contract for one of the US Army's most sophisticated computer projects.

The project will involve the computer networks. installation of up to 100,000

computer terminals on army. sites throughout the US. The two companies involved in the final stage of the bidding for the contract, Magnavox Electronics Systems and New York-based Miltope Corpora-tion, have both selected soft-

ware from Uniplex, of St Albans in Hertfordshire, as part of their bids. Magnavox is bidding with computer hardware from Apple, and Miltope with equip-

ment from Hewlett Packard. The army network will use the Unix operating system, the main standard for US government computer equipment. Uniplex specialises in the supply of Unix software packages.

The terminals will be deskmany adapted for use in dirty or hazardous conditions. They will be linked by a series of

The US Army is expected to announce the winner of the \$600m (£353m) contract this

Uniplex estimates the business software revenues will be

in 1987/8, has been included in hids for 10 other projects for US Federal Departments. Uniplex is supplying the same business software for British Telecom's office automation project, dubbed the Common Office Automation System for Telecom (COAST).

# seems certain to win a signifi- top or portable machines,

about \$20m over a five-year Software from Uniplex, a privately-owned British company which had a turnover of £5.3m

There will be about 60,000 computer terminals

#### BS close to deal on ferry order | Crash will not alter air show rules

By Michael Donne,

Aerospace Correspondent STRICT RULES laid down for the flying display during next week's Farnborough International Air Show will not need to be changed as a result of the weekend air show disaster at the US air base at Ramstein,

The Farnborough rules are

governed by two committees — the Flying Operations Commit-

tee, which establishes basic

requirements for participating aircraft, and the Flying Control Committee, which overseas the running of the display. Members include representatives of the Society of British Aerospace Companies, which organises the show, the Civil Aviation Authority and the Royal Aerospace Establish-

ment, Farnborough. Mr Brian Trubshaw, the Concorde test pilot, is chairman of the FOC, and the chairman of the FCC is the commander of experimental flying

The rules require that no aircraft must stray outside two demarcation lines - the crowd line, up to 150 feet to the south of the main runway where the crowd is located, and the dis-play line, which is north of the main runway.

in a straight flypast, aircraft' must fly parallel to the crowd, no lower than 100 feet. All manoeuvres must be carried out pointing away from the crowd. Aircraft are forbid-

den to fly over spectators. This week each pilot will be required to demonstrate his programme before the FCC. It can demand modifications and another rehearsal.

Any pilot deviating from his approved programme will have to answer to the committee. The strict rules have meant few accidents at Farnborough. The only serious incident was in the early 1950s, when a de Havilland 110 experimental aircraft blew up and debris fell among the crowd.

SPECIALISTS IN SHORT-RUN, LIGHT TO MEDIUM PRECISION ENGINEERING. EXCELLENT GOODWILL AND CUSTOMER LIST, INCLUDING MAJOR UK COMPANIES, M.O.D. ETC. FULLY EQUIPPED MODERN LEASEHOLD WORKS. SUBSTANTIAL ORDER BOOK. ANNUAL TURNOVER APPROXIMATELY \$2 million.

Enquiries to be addressed to:

LEONARD CURTIS

'ards

oup aim

attract

cculing

Labour

4 4 1.1

e deserti

and the second

\_ -

. -----

and the second second

أأنهم أمسر

**Chartered Accountants** 30 Eastbourne Terrace, London W2 6LF. Telephone: 01-262 7700. Fax (01) 723 6059. Ref: KPB

BY ORDER OF THE JOINT ADMINISTRATIVE RECEIVERS STEPHEN D. SWADEN FCA AND KEITH D. GOODMAN FCA In the matter of ADLARD & SON LIMITED Printers, Binders & Typesetters

OFFERS ARE INVITED FOR THE BUSINESS AND ASSETS OF THE ABOVE COMPANY, WHO ARE PRINTERS, BINDERS AND TYPESETTERS, TRADING FROM PLANTS AT LETCHWORTH, HERTS AND LEATHERHEAD, SURREY. TURNOVER IN EXCESS OF £4,000,000 P.A.

Enquiries to be addressed to:

£950,000.

LEONARD CURTIS

Knight Frank & Rutley

GRADE II LISTED COUNTRY HOUSE HOTEL SET IN SOME 70 ACRES OF HIGHLY ATTRACTIVE GROUNDS

AND LAKES

Excellently located on major 'A' road for commercial, tourist and function trade. Close to large centre of population, motorway and airport in northern England.

PERMISSION TO CREATE AN HOTEL WITH

APPROXIMATELY 40 LETTING BEDROOMS,

FUNCTION AND LEISURE FACILITIES WITHIN

ESISTING BUILDINGS.

20 Hanover Square 01-629 8171

London W1R 0AH Telex 265384

Chartered Accountants 30 Eastbourne Terrace, London W2 6LF. Telephone: 01-262 7700.

For further details con (01) 486 3573

ecialising in used executive cars.

lds twelve large cars and twelve cars

used sales area. Established 23 years,

## **ADDITION** LIMITED (In Liquidation)

Postcodes - Unique Construction Salutations - Englishion of Debretts Correct Form International Towns Marketing Contact Register

For further details please contact Adrienne Thomas or

#### **△Touche Ross**

#### Computer

Composition House Limited

#### **Typesetting Specialists** Salisbury, Wiltshire

The Joint Administrative Receivers offer for sale the business and assets of Composition House Limited:

- major US market presence

FREEHOLD AND CONTENTS

- present order book in excess £200.000
- Interset front end system + Lasercomp output - leasehold premises 8000 sq ft

All enquiries to Phillip G. Porter or Anthony C. Taber, Deloine Haskins & Sells, Wheatsheaf House, 24 Bernard Street, Southampton, SO9 IQL. Tel: (0703) 634521. Fax: (0703) 226657 Teles: 477334

Deloitte



at House, 50. Alexandra Road, Wimbledon, London, SW19 7LB. shone: 01-879 1414 01-543 6111/2 Fax. 01-947 5665 ACUTE PRIVATE HOSPITAL -

50+ BEDS - LONDON

DAVID & CO. have been instructed to market this highly successful hospital with the utmost discretion. A newly completed conversion with 2 well equipped operating theatres. Current turnover £3.2 million per annum. Offers in excess of £6 million.

Principals only to contact: John A Kelly/Miss A Lewis

Established profitable

London-based computerised prepress reprographic company. Excellent client base. Room for expansion. Approx 20,000 sq.ft freehold property. Price guide circa

Write to Box No H3786, Financial Times, 10 Cannon Street, London, EC4P 48Y

FOR SALE

Company located continental Europe

Manufacturer of plastic-based, decorative, homecare product sold mainly through retail outlets - DIY, builders merchants etc.

Sales (Stg) £30 million; NAV £7.5 million; Profitable

MAJOR EXHIBITION CONTRACTOR Internationally known, well managed, profitable and specialised Exhibition Contractor wishes to discuss with principals only, sale or merger with Public Company in related field. Strong order book. Prestigious clients, well over six figure profit and good balance sheet.

White Bax B3785, Financial Times, 18 Camera Street, London ECAP 4BY

> TEXTILE AND POLYMER BASED **PRODUCTS**

Private Group of Companies engaged in manufacturing and wholesale seek to merge with a Listed Company. Good Customer base, competent and cottoniastic management. Sales approximately Lim. Profit before tax £400,000. Cash at bank £500,000. Write Str. 193791, Phonoid Times, 18 Commo Secret, London SCAP 487

Sell Companies Nationwide

SELLERS and BUYERS

Contact in confidence: DIVERCO LTD. 4 Bank Street, Worcester WR1 2EW.

BY ORDER OF THE JOINT ADMINISTRATIVE RECEIVERS KEITH D. GOODMAN FCA AND STEPHEN D. SWADEN FCA In the matter of POWERPRIME ENGINEERING LIMITED

OFFERS ARE INVITED FOR THE BUSINESS, ASSETS AND GOODWILL OF THE ABOVE COMPANY. AS A SERVICE COMPANY TO THE BUILDING TRADE. THEY ARE SPECIALISTS IN THE DESIGN AND INSTALLATION OF MULTI-SERVICE SYSTEMS FOR A WIDE RANGE OF BUILDINGS. CURRENT TURNOVER IS £3.5 million.

Information and Prospectus from:

LEONARD CURTIS

Chartered Accountants 30 Eastbourne Terrace, London W2 6LF. Telephone: 01-262 7700.

DO YOU REQUIRE ENTRY UNIQUE BUSINESS OPPORTUNITY

Suit small company tooking for

Superior Car Showteen, South Manchester, Main Road

Principals only. Write Box FE354, Financial Times, 19 Common Street, London EC4P 4BY

OFFERS ARE INTO THE U.K. D.L.Y. INVITED FOR

MARKET? A well established and profitable company engaged in the hire, sale and maintenance of forklifts. FOR SALE

blue chip customers and is currently expanding its rental fleet rapidly. Principals only.

Write Box H3767, Financial Times, 10 Cannon Street, London EC4P 4BY

FOR SALE

Small Light Engineering business manufacturing own product. Staated close to motorway (M6) in Lancashire. Good Asset Backing - Building/Equipment. Net Profit £200 K + Price: £1 Million

Write Box H3799, Financial Times, 10 Canada Street, London EC4P 4BY

**FOOD IMPORTERS:** 

Close to London. Few m2 t/o p.a. Would consider the sale of a majority shareholding if offer is attractive.

Write Box H3787, Financial Times, 1 Cannon Street, London, EC4P 4BY

**ENGINEERING COMPANY** EAST ANGLIA

Precision offshore engine

Price £300 000

Write Box H3801, Financial Times, 10 Cannon Street, London, EC4P 4BY

FOOD MANUFACTURING

COMPANY

37,000 sq ft ou 4 acres. Approval by several major customers. Projected turn-over 200,000. Realistic prior and terms. Principals only.

Write Box H3790, Financial Times, 10 Cannon Street, London ECAP 4BY

**Public Notices** 

SENNAH RUBBER COMPANY

MOTICE 13 HEREBY GIVEN that Severity-first Annual General Meeting of the Company will be held at 4 Avenue Guillaume, Lucembourg, on Tuseday 20 September 1985 at 3:30 in the afternoon to receive the Directors' Report and the Accounts for the year ended 31 December 1987: to declare a dividend; to elect Directors; to appoint Auditors and to fix their remuneration; and for the transaction of any other ordinary business of the company.

The Dividend recommended by the Board is of 40p per £1 share (gross) and, if approved at the Annual General Meeting, will be payable on 7 October 1988 to members on the register at 2.00pm on 8 September 1988.

Chertered Benk Pic. Gurrent Accounts? Securidae Department, 37 Gracechurch Street, Losdon ECSV OBX for payment on or after 7 October 1988, allowing three clear working days for checking. Coupons trust be summarised on spe-cial forms which can be obtained in advance from the bank. It dividends are being claimed from London Paying Agents without deduction of United Kingdom tax for non-residents, the coupons must be accompanied by affi-

In order to be enlitted to attend and vote at this Meeting, holders of Share Warrants to Bearer must deposit their Share Warrants not later than 11 September 1986 at the above address.

ESTABLISHED HIGHLY PROFITABLE PRI-VATE MANUFACTURING COMPANY, T/O APPROX. 2800,000 PER ANNUM.

FOR DETAILS PRINCIPALS ONLY VRITE BOX H2875, Financial Times, 10 Cennon Street, London, EC4P 4BY

**ELECTRONICS** COMPANY FOR SALE A company in the Thames valley wishes to divest its manufacturing division. Own product ranges selfing to blue chip and military customers. T/O £900k at 60% margie forecast. Would suit exist-ing manufacturer wanting new products.

Write Box H3789, Financial Times, 10 Cannon Street, London, EC4P 4BY

#### COMPANY **FOR SALE**

Food Company with patented technology in frozen food. Registered brand, patents and ilcensing agreements in Europe a the Middle East. Major new produ-

Write Box H3797.

#### FOR SALE

Contract Furnishing Company. Sales £650K. Profits £150K. Strong assett base. Located South East.

Write Box H3795, Phanciel Times, 10 Campa Street, London ECAP 4BY

#### For Sale

private group of companies.

atablished profitable business .

T/O approx \$2.8M.

Principals only please write to Box H3788, Pinancial Times, 10 Cannon Street, London, EC4P 4BY

RherDirect Med company for sale, besed in S.E. London. T/O SIM. Write Box H3784, Financial Times, 10 Cannon Street, London EC4P 4BY

Aven, whis, Deven, we read the Aven, which of the Carolin Agests SERVEY PHILLIPS PRICS, Tel 0981-250333.

#### **Profitable** Manufacturing Company

of C.N.C. Machine tools in the South has insufficient funds to relocate due to expiry of lease bence sale.

T/O around £500,000.

Write Box H3788, Financial Times, 10 Casmos Street, Lendon EC4P 4BY

#### FOR SALE

Established financial recruitment agency operating in profitable niche. Small but excellent client base. Principals only.

Write Box H3777, Financial Times

#### LIFE AND PENSIONS BROKERAGE

Scottish based

Write Box H3765, Financial Times, 10 Cannon Street, London EC4P 4BY

Comm. and fees c. £200k

Every member entitled and vota at the above-mentioned Meeting is entitled to appoint one or more prudes to altered and, on a poll, vote instead of him, and any such proxy need not also be a Member of the Company.

## **Company Notices**

#### THE ROYAL BANK OF CANADA U\$\$350,000,000 Floating Eats Debeatures due 2005

In accordance with the terms and condi-tions of the Debentures, the interest rate for the period 31st August 1988 to 30th September 1988 has been fixed at 8°s; per cent per annum. On 30th September, interest of US\$7.03125 per US\$1,000 nominal amount of the debentures will be nominal articust of the debentures will be due for payment. The sets of interest for the period commencing 30th September 1988 will be determined on 28th Sep-

LIMITED Agent Bank and Principal Paying Agent

**AKRANES AND** BORGARFJORDUR
HEATING CORP.
US\$ 10,000,000 Floating Rate

in accordance with the terms and con-ditions of the Notes, notice is hereby given that for the interest period from August 30, 1988 to February 28, 1988 the Notes will carry an interest rate of 3 to 3 per annum.

KREDIETBANK S.A. LUDEMBOURGEOISE

THE AGENT BANK

LEUMI INTERNATIONAL
INVESTMENTS N.V.
US 220 MILLION GUARANTEED FLOATING
RATE NOTES 1930
SENES "A"
The interest rate applicable to the above
Notes in respect of the stemonth period
commencing 30th August 1938 has
been fixed at 59/45 per armant.
The interest amounting to US \$46.75
per US \$1.000 principal amount of the
Notes will be paid on Tuesday,
28th February 1989, against
presentation of coupon No.17.
BANK LEUMI TRILIST COMPANY OF PROPERTY OF TRUST COMPANY OF NEW YORK
Principal Paying Agent

benk leumi במק לאומי 🖶

#### BUCKINGHAMSHIRE

The Financial Times proposes to publish this survey on:

9th November 1988

For a full editorial synopsis and advertisement details, please contact:

Rachel Fiddimen

or write to her at:

Bracken House 10 Cannon Street

**FINANCIAL TIMES** 

#### FOR SALE

Established business develops and commissions own products. Operate on a cash with order basis; no debtors. Enjoys high re-order factor.

Situated in London, could be relocated. Turnover £600,000. Considerable growth potential in expanding niche sector.

Write Box H3776, Financial Times, 10 Cannon Street, London EC4P 4BY



Detailed 8 Page Brochure Available: 01-583 0044 Sponsored by:

TELERATE"

Alexander Elder George Lane

## John Murphy

INDUSTRIAL SAFETY AND WORKWEAR

Write Box H3796, Financial Times, 10 Causon Street, London EC4P 4BY

We require suitable construction or building contractor, well established preferably with land bank, good manage-ment potential, turnover not less than 5m per annum. We have immediate substantial funds available. Send full

The Better Business Centre Limited The best businesses are available fro The Better Business Contre. All types, all locations, all prices "Prafit through experiences" Buying or selling contact: Bank House, 127 High Street, Creditor EX17 3LQ Telephone: 83632 4763

#### **Company Notices**

#### The Republic of Panama

UA 20,000,000 8 1/4 % Bonds 1978-1993

2431 to 2480 incl. 2508 to 2512 incl. 2520 to 2556 incl. 2559 2589 to 2604 incl. 5484 to 5624 incl. 5630 to 5877 incl.

Amount outstanding: UA 14,000,000

Bonds previously drawn and not yet presented for redemption: 2750 4794 2777 to 2781 incl. 4838 to 4841 incl. 2980 to 2982 incl. 4883 3053 to 3055 incl. 4901 and 4902 3192 to 3195 incl. 4920 to 4005 incl. 4794 4838 to 4841 incl. 5236 to 5257 incl. 5263 and 5264 5302 5304 to 5310 incl. 4468 and 4469 4922 to 4925 Incl. 5315 to 5326 incl. 4872 4934 50 4536 incl. 4941 to 4947 incl. 5350 to 5355 incl. 4834 to 4536 incl. 5090 to 5093 incl. 5400 to 5405 incl. 4800 5154 to 5156 incl. 5429 5154 to 5156 incl. 5431 to 5436 incl. 4832 to 4636 incl. 5159 and 5160 5473 4832 to 4636 incl. 5177 4707 to 4709 incl. 5226 and 5227 4735 to 4740 incl. 5232



The Fiscal Agent

**WARDLEY GLOBAL SELECTION** 

R.C. LUXEMBOURG B-25087

USD 0,18 per share of the Hong Kong Squity Fund
USD 0,17 per share of the U.K. Equity Fund
USD 0,07 per share of the U.S.A. Equity Fund
DEM 1,71 per share of the Deutsche Mark Bond Fund
ECU 7,41 per share of the ECU Bond Fund
PY 16 per share of the Japanese Yen Bond Fund
GBP 0,39 per share of the Sterling Bond Fund
USD 0,23 per share of the Sterling Bond Fund
USD 0,21 per share of the Sterling Money Market Fund
USD 0,21 per share of the Sterling Money Market Fund

will be paid to registered shareholders at the close of business July 29, 1988 and shares will be traded an-dividend after July 29, 1988. The dividend is payable to holders of bearer shares against presentation of coupon no.

The Hong Kong and Shanghai Banking Corporation
 Queen's Road Central
 HONG KONG

- The Hong Kong and Shanghai Banking Corporation P.O. Box 316, Hong Kong Branch Building, Grenville Street St. HELIER, JERSEY

The ECU Band Fund and Japanese Yen Bond Fund dividends will be paid in US dollars at the rate of exchange ruling on the pay date.

#### **LUGANO - A BUSINESS CENTER**

The Financial Times proposes to publish this survey on:

opening day of the second LUGANO INTERNATIONAL BANKING **SYMPOSIUM** 

Gunter Breitling
FINANCIAL TIMES (SWITZERLAND) LTD
15, rue du Cendrier 1201 GENEVA Telephone: 022/311 604

> Patricia Surridge FINANCIAL TIMES LTD Bracken House 10 Camon Street London EC4P 4BY Telephone: 248 8000 Ext 3426

**FINANCIAL TIMES** 

MAIL ORDER COSMETIC BUSINESS

ANALYSTS

CompuTrac Is Back In London

> The Brewery Chiswell St.

Thomas Aspray

## **Businesses Wanted**

A successful importer and distributor of industrial wear wishes to expand its national coverage by acquiring companies in a similar market or in the field of industrial safety products. Companies with turnover ranging from £0.5 - £2.5 million, should be preferably profitable but turnaround would be considered.

Replies in strictest confide

I. B. Fisher, Redbarn Farm, Alstone, Nr Tewksbury, Glones GL20 8JD

On August 16, 1988, Bonds for the amount of UA 2,000,000 have been drawn for redemption in the presence of a Notary Public. The Bonds will be redeemable coupon No 11 and following attached on and after October 2,

The numbers of the drawn Bonds are as follows: 925 to 2035 incl. 2041 to 2115 incl. 2118 to 2217 incl. 2221 to 2423 incl.

Luxembourg, August 30, 1988

KREDIETBANK S.A. LUXEMBOURGEOISE

2, boulevard Royal, LUXEMBOURG

The shursholders are advised that on Wednesday 31 August 1988 a dividend of

Banque Internationale à Luxembourg 2, boulevard Royal, 2953 LUXEMBOURG, Grand-Duchy of Luxembourg

- The British Bank of the Middle East London, Geneva Branch rue du Rhône, 23 CH - 1204 GENEVA

Monday 17th October 1988

For a full editorial synopsis and advertisement details, please contact:

Computer Software for sale. Shareholder Analysis Aggregation of Beneficial Owners spretation of Trading Behaviour Database of Nominee Accounts Direct Mail Databases First Names - Over 6,000 European/Asian

## bone: 01-405 8799

PRINTING AND DESIGN COMPANY

The Joint Administrators offer the business and assets of EAS Print Limited for sale as a going concern. Principal features comprise: Specialist in high quality printing and design

Refurbished leasehold premises in Halifax.

Turnover - year to 31 March 1988, £535,000.

Workforce of 18 skilled and semi-skilled. Modern equipped studio, typesetting and Fully equipped press and finishing department. For further details please connect the Joint Administrators: Tony Richmond or Martin Shaw.

Peat Marwick McLintock City Square House, 7 Wellington Street, Leeds LS1 4DW. Telephone: (0532) 450331 Fax (0532) 424377

(Authorised by the Institute of Contrared Acordin carry to investment business.)

FOR SALE PLUMBERS MERCHANTS

\* Established Midlands Group

 Profitable going concern Turnover in excess of £2.2m. per annum \* First class management and workforce \* All freehold sites with potential development

#### **MANUFACTURING COMPANY FOR SALE**

Located in West Midlands producing uPVC products

Turnover £3m. Very provitable.

Please write for details to:-

Write Box H3793, Financial Times, 10 Cannon Street,

London EC4P 4BY

**BODEN, LEIGHTON & COMPANY** Accountants Queens Chambers 61 Boldmere Road, Sutton Coalfied, 873 5XA FOR SALE PACKAGING COMPANY

## Established profitable company based in South with up to date production lines and young management team operating from 30,000 square foot modern factory. Current turnover 3 million plus with substantial pre tax profits. Outstanding potential. Principals only. With Ben H3000, Financial Times, 19 Camera Street, Louise ECOP 45Y

CAR AND VAN HIRE COMPANY with modern freehold premises in West Midlands. Mainly contract hire and leasing approximately 130 up to date vehicles. T/O running at £400K plus P.A. Details from Fortune & Associates, 17 Worcester Road, Maheen, Wares. Tel (06845) 66556.

Tel: 0905 22303

**ORION ROYAL BANK** 

#### **BP Share Offer November 1987**

#### Letters of Acceptance in the name of **Guaranty Nominees Limited**

#### Payment of Second Instalment of 105 pence due on 30th August 1988

- 1. GUARANTY NOMINEES LIMITED of Morgan House, 1 Angel Court, London EC2R 7AE, ("Nominees") are aware that a number of Letters of Acceptance relating to interim rights to B.P. shares ("the shares") in their name are in the possession of persons unknown ("the unascertained
- 2. On 24th August 1988 Nominees applied to the High Court for directions relating to the shares which they hold on trust for the unascertained beneficiaries. It was declared, inter alia, that Nominees are entitled to a lien over the shares and the associated dividends for all reasonable costs and expenses (including the second instalment of 105 Pence payable on each share by 30th August 1988) incurred by Nominees as such trustee. Nominees were given liberty to sell all the shares (unless previously claimed by persons who can demonstrate their beneficial entitlement thereto) on 30th November 1988 or earlier if the quoted price of the shares (part paid) falls to 120 Pence.
- 3. Anyone with such a Letter of Acceptance should contact Nominees, Attention Roy Gymer, Telephone 01-555 3111 extension 2179 as soon as possible so that transfer of the shares or the proceeds of their sale can be arranged subject to Nominees right to be reimbursed for their costs and expenses as described above.

#### INTERNATIONAL BOURSES

The Financial Times proposes to publish a Survey on the above on

21st September 1988

For a full editorial synopsis and advertisement details, please contact:

#### **RUTH PINCOMBE**

on 01-248-8000 ext 3428 or write to her at: Bracken House, 10 Cannon Street London EC4P 4BY.

**FINANCIAL TIMES** 

#### MOBILE COMMUNICATIONS

The Financial Times proposes to publish a Survey on the above on

#### 12th September 1988

For a full editorial synopsis and advertisement details, please contact:

#### Stephen Dunbar-Johnson

on 01-248-8000 ext 4148 or write to him at: Bracken House, 10 Cannon Street London EC4P 4BY.

**FINANCIAL TIMES** 



#### HABSBURG, FELDMAN HOLDINGS LTD.

ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS

Notifying all owners of non-voting bearer shares ("B"-shares) and/or registered voting shares ("A"-shares) in Habsburg, Feldman Holdings

- 1. The Supervisory Board of Habsburg, Feldman Holdings Ltd. has decided to float 72 024 bonus warrants on non-voting bearer shares ("B"-shares) as a rights issue open to all the present
- 2. On presentation of No. 1 Coupon between the 1st and 29th of September, 1988, every three "A"or "B"-shares or a combination thereof entitle the owner to purchase free of charges a warrant to subscribe to shares. No trading in subscription rights shall occur. Balances shall be settled in cash at the closing price of the first day on which the warrant issue is traded. Instructions as to the manner in which the balance shall be settled are to be made when submitting No. 1 Coupon; should instructions not be forthcoming, then the balance will be settled by selling the requisite number of subscription rights.
- 3. No. 1 Coupons are to be sent between September 1st and 29th, 1988 to the following address:

Bank Julius Baer & Co. Ltd.

Department WV-I, P.O.Box, 8010 Zurich, Switzerland

- 4. Each warrant entitles the shareholder to subscribe to purchase, free of charges, a "B"-share at a price of SFr. 300 per "B"-share between October 3rd, 1988 and June 30th, 1990.
- 5. It is planned to commence trading in the warrant notes on the "Hors Bourse" in Geneva as of October 3rd, 1988.

Securities No.: "A"-shares 993914 "B"-shares 993897 Warrants 993916

B∞B

BANK JULIUS BAER

#### **UK NEWS**

# Saucy seaside stroll to all our yesterdays

Michael Thompson-Noel brings the curtain down on a seasonal series

LONG the front at Worthing, fairy lights gleam bravely and fairground carousels twirl against a salmon-flushed sky. Worthing is one of southern England's most gen-teel resorts. It is just like a time warp — as though Dunkirk happened yesterday — so that strolling along Marine Parade, towards the pier and Pavillion, I glance nervously towards France, half expecting the opal-streaked horizon to coalesce suddenly into a squad-ron of Messerschmitts.

Inside the Pavillion the Friday night audience has been time-machined back to a hap-pier era where at last it feels at home - the London Blitz dur-

ing the Second World War.

How marvellous the Blitz
was, when bombs fell. When we all pulled together. When ordinary British people foiled Mr Hitler by trooping into bomb shelters for a sandwich and a cuddle.

Piloting the time machine inside the Pavillion is a stand-up comic, the ebullient Freddie Stuart, who is dressed like a Cockney trickster and who belongs to a dying breed, the English seaside enter-

Freddie is smutty. Freddie is a wide boy, a pursuer of "crumpet." You wouldn't "crumpet." You wouldn't Adam and Eve what Freddie got up to, down in the shelters, avoiding Mr Hitler. Freddie knows his business. He also knows his audience, even though he is flogging a nearly dead horse. Freddie tells us that he was born in Kent but that when the Blitz started his family evacuated him to the

Family evacuated him to the East End of London.
Slowly, the audience comes to life — as though the all-clear has sounded.

The missus went to the doctor's last week. She said — I've got a cold bum and warm knees. The doctor said — the

knes. The doctor said - the elastic's gone on your knickers... You've gotta laugh, haven't you?"

Many of the jokes involve dance halls or the back rows of cinemas, followed by trips down alleyways and amorous grammastics up against a fence gymnastics up against a fence. Most of the jokes lack punch-lines, know what I mean?

"I was dancing with this girl one night — Sheila Blige. After-wards I took her down the alley-way . . . You've gotta laugh,



or of anything that has hap-pened since 1946. The only con-cession to modernity is an attack on plastic. Plastic is detested; plastic gets a laugh.
"Everything's plastic now,
know what I mean? Even money's plastic. In the pub last night two geezers were playing shove Access . . . You've gotta

laugh, haven't you?"
Backstage in his dressing room, after his stint, drenched by his exertions, stripped to the waist, washing in the sink, Freddie, who is 47, says that he was born in the East End and started as a comedian 14 years ago. For the past five years he has performed most of the warm-up spots for Chas & Dave, billed by the Pavillion as Britain's Favourite Cockney Duo. The summer season at Britain's seaside resorts used to be an important part of an entertainer's year. "The season used to run for 16 to 22 weeks," says Freddie. "There was lots of work. But there's almost no summer season left. People don't come to the resorts like they used to. Now I do theatre jobs, nightclubs, private func-tions, hotels and police clubs.

"I work all over: Worthing, Folkestone, Cardiff, Wey-mouth, Yarmouth, Hastings here, there and everywhere. I'm always travelling. The geezer who books my shows never uses a map. Tonight's performance was a case of horses for courses. The audience was from yesteryear. People like that miss the old days, so that's what I give them."

Despite their seedy image, dismal investment record and loss of business to Mediterranean fun spots, Britain's resorts, though pickled in cockle juice and cobwebbed in candyfloss, still linger on. They may even be reviving.

According to one tourism chief. "There is now so much money around that many working-class families can afford one foreign holiday and There is no mention of Margaret Thatcher or of Brussels or inflation or the space race the English seaside. And



Freddie Stuart: a repertoire that recalls the Blitz, dance halls and back rows in the cinema

money is being invested - not so much in hotels but in upmarket self-service accommodation, luxury chalets, time-share ventures, top-class caravans and holiday centres with indoor heated swimming

"People have got more les-sure time. They're fed up with airports and sick of delays. The resorts' formula has barely changed in years, but slowly they're hitting back. More and more people are reverting to the typical seaside holiday." Mr Archie MacMillan, the

variety secretary at Equity, the actors' union, says that the summer season — plus pantomimes at Christmas — used to be of crucial importance, but that summer show employment was now about a quarter the level of a decade ago. Summer shows now rely on a different format. Whereas

there used to be dancers. a dozen acts, big production numbers and a top-of-the-bill star, now you just get stars -or what they think of as stars

- plus warm-up acts."
This hectic policy is in evidence at Worthing, where the municipal-run Pavillion, refurbished and reopened in 1982 -it seats 850 - crams an extravagant amount of action into each sensation-packed week: Mondays — Keyboard Enter-tainer John Mann With Music

to Suit All Tastes, plus heats of to Suit All Tastes, plus heats of a junior talent contest; Tuesdays — Country Music Specials; Wednesdays — Britain's Number One Pianist, Russ Conway; Thursdays — All-Star Wrestling; Fridays — International Star Concerts by the likes of Ken Dodd and the Diddymen, Doris "Beyond the Gave" Collins (a clairvoyant and healer — this special fareand healer - this special fare-

well event was presented by Mr Rupert Take it Off Mur-Mr Rupert "Take it Off." Murdoch's Sam newspaper), Frankie "Mr Moonlight" Vaughen,
the Ever-Popular Val Doonican, Outrageous Comedian
Jimmy Jones ("Strictly Adults
Only"), the Beverley Sisters
("They're Back to Sing for You
Again"), Chas & Dave, Jimmy
Tarbuck, Bucks Fizz, Duncan
"Chase Me!" Norvelle and the
Fabulous, the Dazzling, the Fabulous, the Dazzling, the Ageless and Unwithering Mr Danny La Rue, who panders untiringly to that soft spot the British have for chaps who

という。

[ pariet

11384.2

----

ebatt t

wear frocks.
On Saturdays there is ballroom dancing and on Sundays,
Search for A Star, plus heats of
Miss Worthing 1988. There are
also musical concerts at the
Accombly Hall because Worth-Assembly Hall because Worthing - no backwater - boasts its own symphony orchestra, philharmonic orchestra and philharmonic choir.

One of the biggest presenters of summer shows in Britain is Mr Peter Jay of Jay's Entor-tainment, a family-run company that is presenting five shows using 150 artistes in Blackpool. Scarborough and Great Yarmouth.

Great Yarmouth.

"It's expensive," he says.

"My Blackpool Tower Circus
show cost more than \$500,000,
but then Blackpool is excellent,
Blackpool's unique. It's a very
high-risk business. There is no real pattern. You've got to back hunches, study the trends. At present, TV impressionists are all the rage. You've got impressionists doing impressions of other impressionists. You could get confused. You want mixed weather, really – not so wet that people stay away from the resorts, but poor enough to get

them into the shows."
Pat Tansey, a comedian in one of Mr Jay's shows, told me in Great Yarmouth that this summer he is doing 10 shows a week in three resorts: Yarmouth, Scarborough, Skegness. He stays in "pro digs" (theatri-cal guest houses), travels con-

stantly and works exceptionally hard for £25,000 a year.

Back in Worthing, I leave the Pavillion and search for fish and chips. The sky is burnt crimson. Couples are kissing, some in funny hats. There is a sharp reek of shellfish. Beer cans roll and clatter. A woman laughs excitedly underneath the pier. The car-ousels glitter. Gulls whirl like flak. It's quiet across the Chan-nel. No bombs tonight. You've got to laugh, haven't you?

# Black parents may seek city college

By David Thomas, Education Correspondent

Bass to spend £23m on

WELSH BREWERS, the South £40m. A month ago, Whitbread

The Bass commitment to the valleys brings the amount to be spent on refurbishing public houses in the region to almost

pubs in South Wales

By Anthony Moreton, Welsh Correspondent

BLACK PARENTS in the siderable difficulties due to the gish so far, seven colleges with London borough of Brent are need to make budget cuts, and firm backers and sites have firm sites and sponsors would toxic threat? considering establishing a city technology college under the controversial Government initiative to improve education in

It would represent a propa-ganda coup for the CTCs, which have attracted fierce opposition from Labour-controlled areas such as Brent.

Mr Cyril Taylor, a business-man advising Mr Baker, the Education Secretary, on the scheme, said he had been approached recently by pressure groups representing black people in Brent who told him of their dissatisfaction with standards in the borough's schools. Brent has been in con-

Wales arm of Bass, is to spend \$23m on its public houses in

the region, much of it in the

industrial valleys.
First results of the investment will be seen tomorrow

when the brewer unveils the refurbished Red Cow in Treor-

chy, following a £125,000 face-lift. Bass is also building a £3.7m regional headquarters

Mr Brian Blake, managing director of Welsh Brewers (East), said he saw the pro-

ramme as part of its regenera-

and depot at Ebbw Vale.

tive work in the area.

over alleged inefficiencies Mr Taylor is meeting the

black representatives next month to explore their interest in establishing such a college. He said he was aware of some local businesses that might be prepared to back the move. CTCs are non-fee-paying sec-ondary schools for those with

an aptitude for science and technology. They are indepen-dent of local authorities and businesses cover part of their

capital cost.
Mr Baker set a target of 20 colleges when he launched the scheme in 1986. The Labour Party has castigated business response to the idea as slug-

announced spending of more than £14m on its pubs, saying its campaign would create 750 jobs over three years.

The valleys have been

described by Mr Peter Walker,

Welsh Secretary, as having the similar problems to England's

inner cities. He announced in

June an increase in public and private initiatives for the

valleys – an area bounded by Llanelli in the west, Pontypool in the east and Merthyr Tydfil

in the north.
Mr Walker said then that

two brewers would be spending

been announced.

However, the Wolfson Foundation, one of Britain's bestknown charitable bodies, has already decided to sponsor a CTC and this is likely to be presented by the scheme's organisers as showing that the

idea is gaining acceptability.
The organisers say that 23 companies in the FT-SE 100 index have committed more than £100,000 each to CTCs. Mr Taylor said the colleges had attracted 17 lead sponsors, who are expected to put in at

least £1m each. Each lead sponsor would be announced once it had found a firm site for its college. Mr

By Anthony Moreton

THE NATIONAL Museum of Wales has joined forces with the Central Electricity Gener-

ating Board in a £1m venture

to establish an outstation in North Wales. It is expected to

the CEGB, which approached the museum, is

putting up half the cost. It is to

mount a permanent exhibition featuring the history of energy,

with particular attention to the

The museum will use the building, to be called Amgueddfa'r Gogledd, the Museum of the North, to stage

**CEGB** will join museum

venture in North Wales

a permanent history of Wales.

and its people. It will cover the country's industry, especially its role in the 18th century

develops such a project before, but now that the CEGB is involved I hope the Museum of the North will become a major focal point in North Wales."

be unveiled by the end of the-

The next joint announcement of a site and sponsor is likely to be in the north-east of England, Mr Taylor said. A firm sponsor has also been found for a proposed CTC in Sheffield.

However, finding a Sheffield site is likely to prove difficult because of opposition by the local council. There has been speculation that this could be overcome by siting the college on land belonging to the Shef-field Urban Development Corporation, but the organisation denied it had held any specific discussions about this.

industrial revolution, and

Dr David Dykes, director of the National Museum, said there would also be scope for temporary exhibitions which might come from Cardiff or

elsewhere. The Museum of the

North, which will be at Llan-beris on Lake Padern, "brings about something which has

been very close to my heart," he said.

museum should have a major presence in the north. We have

never had the finance to

develop such a project before,

"It is important that the

vessel a berth.

The Department of the Environment said yesterday: "The vessel has about 2,000 tonnes

would be very surprised if any harbour master allowed the ship to dock in a British port." Britain was supposed to implement the EC directive on the transfrontier shipment of hazardous chemical waste by January 1, 1987, but failed to do so. The directive requires importers of hazardous waste to provide authorities with to provide authorities with information on the source and composition of waste, including the producer's identity and provisions for insurance and damage to third parties.

The Government told parliament in May that regulations to implement the directive would be introduced by July.

#### Footwear industry shows sign of recovery By Alice Rawsthorn

British footwear industry may be starting to recover from the slump that has forced dozens of companies to close and cost thousands of jobs since last

In the past year, the indus-try's output has fallen sharply following a surge in footwear imports from the Far East. However, the latest statistics from the British Footwear Manufacturers' Federation show that the influx of imports fell in June for the second suc-

cessive month.

In the first half of the year, the flow of footwear imports into the UK rose 4 per cent to

THERE ARE signs that the 107m pairs, worth \$417m. However, in May, imports fell by 2 per cent compared with the same month last year and in June they fell 17 per cent. In spite of these signs, the industry is cautious about its

prospects. The BFMF described the slowdown in imports as "a welcome respite," but warned that it was "far too early to

imports began increasing last autumn when the pound rose against the US dollar on foreign exchanges. This triggered off an influx of low-costfootwear from the Far East, where currencies are linked to

reflect the dollar's recovery, though it tends to take several months for currency changes to affect retail purchasing patterns. Further, there are no signs of a similar slowdown in comparable sectors such as

The industry is in a fragile state. Mr Monty Sumray, chair-man of the FII Group - one of man of the FII Group - one of the largest manufacturers -said "conditions are getting ""

The most vulnerable compa-nies have been the small fam-ily firms that dominate the

worse."
Even in June when imports

The recent slowdown could the number on short-time working increased. Cuts and closures have been

concentrated in the women's shoe sector, where the impact of imports has been most intense C & J Clark, the biggest UK shoe group, recently changed at one factory from producing women's shoes to making children's shoes.

fragmented footwear industry. Evan in June when imports fell, UK output was lower than in the same month last year.

The number of shoe workers on overtime fell sharply and

## Delayed EC order 'poses

By Lynton McLain

BRITAIN'S FAILURE to implement a European Community directive on the cross-frontier shipment of hazardous waste may allow Italy to dump more than 2,000 tonnes of waste in Britain, according to Friends of the Earth. Britain is about to introduce

regulations - 20 months late - to bring it into line with the EC directive. However, this will only come into effect next month, too late to affect the present cargo. Italy has also failed to implement orders bringing it in line with the EC

The cargo is aboard a West German ship - the MV Karin B - heading for Britain, Friends of the Earth said yesterday. The environmentalist lobby group has sent evidence to the Department of the Environment showing that the wastes are dangerous to health and the UK environment. The Neath port authority in Wales has already refused the

of badly-packaged toxic industrial solvents. This suggests the drums are leaking and we

would be introduced by July, yet none were introduced.

The Department of the Environment said yesterday that regulations to bring Britain into line with the EC directive would be introduced.

Chillian Links

 $v_{m_{ij}} \sim M_{ij}$ 

Car Caps &u.

J. I

would be introduced this week, taking effect in late September. New regulations give disposal authorities a month to issess applications for disposing of hazardous material, compared with the three days authorities are at present given allowing more rigorous testing.

The waste aboard the MV Karin B was originally exported from Italy to an illegal dump in Nigeria, from where the Italians removed it. Invest in Quality

#### Birse builds four stores

PETER BIRSE has won over 160m worth of building and civil engineering contracts, Heading the list are retail stores in London, Barnsley, Achton under Lyne and Scun-

A pre-stressed concrete bridge over British Rail and London Underground lines on the north/south route at Har-ringey for the London Residuary Board contributes £13.5m to the total.

Birse will construct the £10.3m Connaught Crossing swing bridge at the Royal Victoria Docks for the London Docklands Development Corpo-

Other projects include an £8m deep pumping station on pile foundations for Yorkshire Water Authority, Scarborough, and a £6.9m Meadowhall highways development (including road works and three bridges over the River Don) for the City of Sheffield.

#### Refurbishing Langham Hotel for Ladbroke

As part of the £50m reconstruction of the Langham Hotel, London, DRAKE & SCULL ENGINEERING, a member of the Simon Group, is responsible for the compl refurbishment and design of the mechanical, electrical and plumbing services in this 19th

The £8m contract, for the Ladbroke Group, was awarded to Drake & Scull by Bovis Construction, and is to be completed by the summer of

Since the hotel was opened by the Prince of Wales (later King Edward VII) in June 1865, many international celebrities, statesmen and artists have passed through its doors. It ceased to operate as a hotel during World War II.

It was then taken over by the BBC until acquired in 1986 by the Ladbroke Group. When completed, the company expects it to be the most luxurious hotel to open in the capital for a decade. It will have 415 rooms,

conference and banqueting facilities and a business centre. The original Victorian architecture is to be restored, ncluding the facades, Palm

laved EC

ict inne

ic threat

Court and banqueting hall. & TOMPKINS NORTHERN has secured four contracts worth £2.34m, including advanced factory units for English Industrial Estates at Tanfield Lea, Co Durham, and Berwick upon Tweed, Northumberland; and in Shildon, Co Durham, a 25,000 sq ft superstore for the North-Eastern Co-operative Society .

#### CONSTRUCTION CONTRACTS

## A. McAlpine wins £58m works

ALPRED McALPINE CONSTRUCTION has been awarded contracts totalling more than £58m for commercial, retail and industrial work largely in the South-East. The company has won a £16m design and build contract for further work on Harbour Exchange, in London's Dock-lands. Buildings Eight and Nine - eight and 10 storey office blocks - have been awarded by Charter Group Developments for completion in February 1990. This is the second major contract to be won by Alfred McAlpine, which is already constructing the £14m Six and Seven build-

ings on the development.

Co-operative Insurance Society has awarded Alfred McAlpine Construction a £10.5m contract for an office development in London, ECL Work is due to start this month for

completion in February 1990. Norwich Union has awarded a £7.5m contract for a multistorey car park as part of the Bentalls redevelopment at Kingston-upon-Thames, Surrey.

Asda Stores has awarded a

£19m design and build contract for a single-storey, high-bay distribution warehouse at Wigan, Lancashire. Extensive treatment of old coal mine-workings are required, prior to the construction of the struc-

tures. The warehouse will be steel framed, with an insulated roof and cladding, and will include delivery areas and cold

Whatlings Construction, part of Alfred McAlpine Construc-tion, has won a contract for the construction of the main reinforced concrete frame and floors for a new city concert hall in Glasgow. Awarded by Bovis Management Contrac-tors, the contract is valued at

Whatlings Foundations has been awarded piling works at the clearing centre, South Gyle, Edinburgh, for the Bank of Scotland in a £255,000 contract



A. McAlpine builds City offices for Co-operative Insurance.

#### Middle East orders for Wimpey

Contracts totalling some \$23.9m have been awarded to WIMPEYALAWI LLC in Oman and AL WIMPEY ROADS AND CONSTRUCTION (ABU

Work has started on a £7.5m contract awarded by The Royal Guard of Oman for an officers' mess complex adjacent to Seeb Barracks. The project is for the construction of an officers' mess and accommodation blocks, civilian and ancillary accommodation together with roads, landscaping, boundary walls and recreational facili-

Under a £5.7m contract for Oman's Ministry of Communications Wimpey Alawi will carry out road construction Public Works Department.

work, resurfacing and widen-ing of the Buraimi carriageway. The contract also covers bridges, culverts, intersections and drainage works. The com-pany will also upgrade 18.5km of roads in Buraimi Town, and 24 km of road between Mabadah and Buraimi. In Abu Dhabi, Al Wimpey Roads and Construction has been awarded a £500,000 con-

tract by the Al Ain Municipality for earthworks to retaining bunds on a water catchment area at Shwaib. Elsewhere in Abu Dhabi, an extension to port facilities at Mina Zayed Port is being carried out under a £7.8m contract

for the Emirate of Abu Dhabi,

Work is due for completion in November next year and involves building a 360-metre extension with sheet-piled retaining walls to the container terminal. Included is the removal and replacement of the fendering on 640 metres of wharf face, an electrical substation, 800 metres of piled crane rail beam, and the dis-mantling of three steelwork sheds and re-erection in other

areas of the port.
At the new Al Ain vegetable
market in Abu Dhabi, Al Wimpey has started work on the access roads, parking areas, and ancillary external works. Valued at £2.2m, the contract is due for completion in early

## Upgrading retail facilities in Reading

TURRIFF CONSTRUCTION, Warwick, has been awarded contracts worth over £24m. The major construction division has won over £13.3m including a £3.2m contract to redevelop the W.H. Smith shop in the centre of Reading. The rebuilding contract will Victorian half of the facade brick by brick for eventual reconstruction. When completed the store will have a

sales area of 20,000 sq ft. The North Western region of British Gas has awarded a £3.1m contract for a two-storey office building which includes vibroflotation, ground beams, reinforced concrete ground and first floors together with an insulated metal roof and cladAt Milton Keynes, the Devel-opment Corporation has awarded a £2m contract for the building of 21 workshop units and 13 office units with load bearing brick and block walls incorporating support steel-

for the building of homes for aged and retired people have been awarded by the Grosvenor Housing Trust and the "Johnnie" Johnson Housing Trust. Both projects are in the North West with 30 flats with warden's house and communal facilities in a 2 and 3 storey block at Platts Bridge, Wigan, and the other project at With-ington, Manchester, includes 31 one-person and 14 two-perbled flats, laundry, lounge, guest bedroom and one twostorey warden's flat together with lift, heating plant; all in traditional construction with drainage and site works. Turriff's projects division

has won contracts in excess of £4.8m including a £2.1m contract at Telford for Polylina to design and build a high bay warehouse and carry out alterations to the production unit. Moffatt Whittall, Birming-ham, a Turriff subsidiary, has been awarded £3.6m of con-

tracts, the largest being the construction of a public house for Wolverhampton and Dudley Breweries at the historic site of St Paul's Square, Birmingham.

#### We are pleased to announce the appointment of

Ashley P. Pover

Managing Director

Cantor Fitzgorald (V. K.) Limited

Park House 16 Finsbury Circus, London EC2M England

> Registered in England Registration # 1976691

August 3, 1988

SPONSORED SECURITIES

#### Yleid % Capitania £000's 8.7 10.0 3.7 4.2 8.9 875 5.4 6.1 1.6 28.9 6.7 3.9 10.2 11.0 21 2.7 6.7 5.2 11.0 12.3 14.7 6.1 10.3 3.7 115 134 110 19864 7752 43 43 91 CCI Grove Ordis 41 92 92 12 78 16740 784 305 97 29 124 3.3

48 19 37.7 33 7.7 36 82 7.6 -5.5 7.9 Torday & Carlisle \_\_\_\_\_ Trevian Holdings (USM) \_ Unistrat Europe Com Pref. 7.7 2.7 8.0 16.2 6137 rities designated (SE) and (USM) are dealt in subject to the rules and regulations of The Ir Exchange. Other securities listed above are dealt in subject to the coles of TSA

415

233sm 76mi

These Securities are dealt in strictly on a mutched benyale basis. Notice Granville & Co nor Granville Daries I of one market makers in these securities.

# Lover Lane, London ECIR 1889 Thisphone 01-G21 2212 Member of TSA

1132

Robert Jenkins ....

Granville Davies Limited Lond Line, London RCJR 1889 Telephone 01-621 1212 Member of the Stock Exchange & TSA

## STARS

Securities Transferred and Repackaged Limited

DM 300,000,000.-

Deutsche Mark Floating Rate Notes due 1996 -Stock Index No. 480 372 -

In secondance with § 14 of the Torms and Conditions of the Notes, motion is hereby given that the Rate of Interest has been fixed at 57%% p. a. for the Interest Period from 30th August, 1982 to 28th February, 1989 (182 days). Interest secred for this Interest Period 28th February, 1989 will amount to DM 293.85 per DM 10,000.—principal amount.

August 1988 Interest Determination Bank:

J.P. Morgan CmbH Frankfurt am Main



# The Republic of Panama

Floating Rate Serial Notes due 1990

For the six months 31st August, 1988 to 28th February, 1989

hereby given that the rate of interest has been fixed at 10% per cent. per annum, and that the interest psychle on the relevant interest psyment date, 28th February, 1989 against Coupon No. 21 will be U.S. \$127.27.

The Industrial Bank of Japan, Limited

#### **FINANCIAL**

Temple Bar Investment Trust Spc Uns Ln 2002 Spc St 52 pc Uns Ln 1992/97 4 Lpc St 52 pc Uns Ln 1992/97 4 Lpc Trans-Natal Cost Uns. Sub. Sebe. SL975cts Triplewar 7-2 pc Deb 1997/97 53 pc Welle Fargo Fig Rata Sub Mis 1992 578.40 Wormside, Walker & Aldmoon Spc Uns Ln 1996/97 4 1-2 pc THURSDAY SEPTEMBER I COMPANY MEETINGS—Carcle Engineering, Openia Hotel, Lasts. interies: Dead Ses Works BOARD MEETINGS-

fighgate & Job

Joseph (Leopold), Hatherdashera Hall, Blain-ing Lane, E.C., 12.15
MS International, Royal Hotel, Wollaton Street, Nottingham, 12.00
Yale & Valor, London Press Centre, 76, Shoe Lane, E.C., 10.30
BCARD MEETINGS

Stat-Plus UK Paper WPP Group DIVIDEND AND INTEREST PAYMENTS

American Brands 55cts American General Corp. 35cts

Asarco 20cts Associated British Foods 5.80

AMAX Scts
Aberdeen (City of) 10.8pc Red 2011 5.4pc
Aberdeen Steak Houses 1.5p
Ahmanson(H.F.) 22cts

Associated British Foods 5.8p
Beaverco 4p
Blacks Leiaure 0,1p
Blue Carte Inds. 6pc Deb 1988/63 3pc
Do. 7pc Deb 1988/63 32-pc
British Rayphons 5.25pc Pf 2.85pp
Bruntzillis Invs. 7pc Pf 2.45p
Buffalo & Lake Huron Railway 51-% 1st Mtg.
Perp. Bds. 2.75pc.
Do. 51-% 2nd. Mtg. Perp. Bds. 2.75pc.
Butjell (A. F.) & Co. 0.2p
Do. A NV 0.2p
Burndene Invs. 2p

Do. A NV 0.29 Burndene Invs. 2p Cambridge (nathument 0.55p Carle, Nicholla & Coombs 1.35p Cook (Wm.) 3.75p Coop of London 33-9 pps. 83/83 1.75pc. Esst Surrey Water 2.8% (Fmly. 4%) Pre-Prt.

East Worcestarshire Waterworks 7% ( 10%) Mar. 35p Do. 3.5% (Fmly. 5%) Mar. 1.75p Do. 2.8% (Fmly. 4%) 1835 Prl. 1.4p Do. 2.8% (Fmly. 4%) 1841 Prl. 1.4p Do. 3.85% (Fmly. 5%) Prl. 1.825p Electric & General Iny. Co. 9% Deb.

lagersoil-Rand 26cts.
Ind. Income Property 27cts.
Ind. Income Property 27cts.
Ind. Income Property 27cts.
Ind. Income Inc

Mecco Leisure Group 1,75p Metropolitan Water 3%, L5pc, Moorgate Inv. Tat. 4.5p Oldium Met Borough Council 11½% Red. 2010 5.625pc. P & O 3½% Deb. Perp. 1,75pc. Do. 3½% 2nd Deb. Perp. 1,75pc. Peugest Taibol Motor 5½% Deb. 84/89 1,876pc.

Port of London Authority 612% Reg. 87/90

3.525pc. ford Corp. 5½% Red. 86/88 2.75pc. meiders (S.) & Son. 6% Red. Prl. 2000

Schneiders (S.) & Son. 6% Red. Prl. 2000 2.15 Scottish Agric. Sec. Corp. 5½% Deb. 86/88 2.75pc. Spillers 7½ % Deb. 84/89 3.825pc. Spillers 7½ % Group 3.825pc. Starking Publishing Group 3.3p Stonehill Hidgs. 10½% Prl. 5.25pc. Termac 8½% Deb. 88/94 3.125pc. Do. 6½% Deb. 69/94 3.375pc. Do. 7½% Deb. 69/97 3.73pc. Tendring Hundred Waterworks 3½% (Fmly. 5%) Max. 17.5pc.

2007 8.25pc. 2007 8.25pc. 2007 14<sup>1</sup>2 % Ln. 1994 7.25pc.

Union Carbide Corp. 20cts.
Union Discount Co. of London 11.5p
United Mexican States 1612 % Ln. 2008 (Reg.)

8.25pc. West Kent Water 3½% (Finity, 5%) Cons. 1.75p

Daejan, Centre Point, New Oxford Street, W.C., 12.00 Drummond Group

W.C., 12.00
Drummond Group, Norfolit Gardens Hotal,
Bractord, 12.00
First Technology, Fleet Mill, Minley Road,
Fleet, Hampshire, 10.00
Plussell(Alexander), Royal Scottlah Automobile Club, 11. Blythmenod Square, Glasgow, 12.00
BOARD MEETINGS
Integrates.

Porvair
Ruo Estates
DIVIDEND & INTEREST PAYMENTSAnglo & Overseas Tet. 1,359
Carclo Eng. Group 3.89
Consolidated Co. Bultantain Mine 4

Microsystems Group 1.15p Sturge Hidge, 3.25p Triplex Lloyd 3.25p SATURDAY SEPTEMBER 3 DAVIDEND & INTEREST PAYMENTS-

on 8% 2000 4.5pc, Leopoid) Hidgs, 11.571p

Mr Newton was international

business systems and information manager at Prime

Computer. Mr Orme was

KING WILKINSON.

manager of the commercial division of Comshare.

Middlesbrough, has appointed Mr Christopher Watkins as managing director of King

Wilkinson Saudi Arabia, a

Mr Adam Novak has been

Aylesford, Kent, drainage

systems manufacturer, a subsidiary of Caradon. He was with Johnson Wax.

■ ORGANISED OFFICE

DESIGNS has appointed Mr Roy Rose as marketing and

business development director,

a new post. He was marketing and design director of Vickers furniture.

appointed marketing director of CARADON TERRAIN,

was technical director.

joint venture company with Yusuf Bin Ahmed Kanoo. He

Intertme: More O'Ferrali Porvair

Conscilidated Co. Buttle Craighton Labs. 4p Doctus 0.5p Gillette 21 /2 cts. Inco 20cts. M & G Dual Tst. 20.2p

**APPOINTMENTS** 

Girobank quality chief

1.75p
Do. 2.5% (Fmly. 4%) Prl. 1.4p
Do. 3.15% (Fmly. 4½%) Rad. Prl. 7.875p
Witten Inv. 8% Deb. 96799 Apc.
FRIDAY SEPTEMBER 2
COMPANY MEETINGS-

3.25pc. Rediend 5% Pril. 2.5p River Piste & Gen. Inv. Tst. 5% Ptd. 1 Sainsbury (J.) 7% % 1st Mtg. Deb. 3.625pc.

Electric a Communication of the Communication of th

Plante: Anglo American Industrial Corp. Bank of Nova Scotia. Border TV Consolidated Plantetions Berhar Managura Copper Mines

Peers Starpe & Peter Tellor Holland Berhad Tellor Hidgs. Malayeta Berhad Tellor Hidgs. DN/DEND AND NITEREST PAYMENTS-Alon (Edgar) Balliour 7% pc Deb 16 Starte-Frein Phipps 4-1p Cohen(A.) 10.45p Cohen(A.) 10.45p Cohen(A.) tank of Monaya Camberlein Phipps 4.1p Cohen(A.) 10.42p Do. "A" N-V 10.42p

Securiocomponents 3.1p
Sealettre 1p
Sealettre 1p
Sealettre 1p
Sealettre 1p
Sealettre 1p
Health Care Services 0.7p
Introduce 1p
Sealettre 1p
Sealettr

COMPANY MEETINGS-10.30 Hollas Group, Windsor House, Southmoor House, Southmoor House, Manchester, 8.20 Later, Manningham Mills, Bradford, 12.30 Miney, Horsepath Industrial Estata, Cowley, Codord, 18.00 Stanco Exhibition, Units 1 & 2, Blains Wharf, East Dock Hoad, Newport, Gwent, 10.00 BOARD MEETINGS-

Picats: Devis(D.Y.) Interfere: ASEA AB American Trust CLF Hidgs. Edinburgh Fund Manage

Editorga Folici Marageri Edith Guardian Royal Exchange Macfariane

Peelfic Assets Trust
Pearl Group
Pentland Industries
Stoop Festans
Steel Burrill Joses
Sunleigh Electronics
DIVIDEND AND INTEREST PAYMENTS
Alexander (Walter) 3.2p
Alinat London Props 10-2pc 1st Mig
1994/99 5-4pc
Appletree Hidgs, 1.1p
Addine Bros (Nosiery) 5-2pc Pt 1.925p
Automated Security 5-pc Red Pt 2.5p
Bankers Inv. Tst. 0.42p
Bankers Inv. Tst. 0.42p
Bossey 2 Hawkes 3p
Braithvelie 4.5p
Cater Alien Oblay Income Fd. 30p
Cater Alien Dollay Income Fd. 13cts
Chase Marhattan Corp Fig. Rate Note
\$169.65 \$199.65 Chemical Banking : 575.05

\$75.05 Commerzbenk O'ssex Finance Fitg. Rate Notes 1898 \$153.28 Daily Mell & Gan, Tet. 22p Do. "A" 22p Danee Inv. Tet. 3.75p Danee Inv. Tet. 3.75p

Number of the Control 

Gibbon Lyons 7pc Red Pf 3.5p Gresham House 3.5p Hambro Eurobond & Money Mariest Fd, Ptg Red Pf (Maraged Fd) 4.7p Do. Ptg Red Pf (Stig Eurobond Fd,) 7p Do. Ptg Red Pf (AS Eurobond Fd,) 850.40 Do. Ptg Red Pf (KS Eurobond Fd,) 820.75 Do. Ptg Red Pf (KS Eurobond Fd,) 820.75 Do. Ptg Red Pf (Note Eurobond Fd,) 13.4 Do. Ptg Red Pf (Contl. Euro Eurobond Fd,) Do. Ptg Red Pf (Stig Money Marter Ed.) 750. Do. Ptg Red Pf (Stig Money Market Fd.) 33p Do. Ptg Red Pf (USS Money Market Fd.) 24.9cts

Do. Ptg Red Pl (AS Money Market Fd.) ASU 339 Do. Ptg Red Pl (NZS Money Market Fd.) NZSO,88 Do. Ptg Red Pl (CS Money Market Fd.) CS0,335 CSU3355
Do. Pig Red Pf (Yen Money Market Fd.) Y44.6
Do. Pig Red Pf (Cond. Euro Money Market
Fd.) DM0.241

ava.Us Jersey Gen. Inv. tst. 10.5p Johnson & Firth Brown 11pc Uns Ln 1993/98 4.53p Keinwert, Benson Gift Fund 29.68p Kores Exchange Benk Fitg, Rate Notes 1894 1700.55 \$75.05

Korea Exchange Benk Filg. Rate Notes 1894
\$100.55
Kynoch(G.&G.) Spc Red Pf 3p
Lloyds Bank Prim Lynd Cap Filg. Rate Notes
(Ser. 2) \$198.05
D. Prim Cap Und Filg. Rate Notes (Ser. 3)
\$359.69
London & Strathcyde Tat. Spc Pf 1,75p
M.&G. Gold & General Fd. 0.35p
Mentor Fd. 9.8cts
Minly 0.35p
National Westminater Bank 9.25p
Do. 7pc Pf 2,45p
Need To 18 Miny 1894 CR23.80
New Brusswick (Province of) Filg. Rate Notes
May 1894 CR23.80
Next Ppc 1st Ming. Deb 1886/91 3\(^1\)2pc
Do. 7\(^1\)4pc 1st Ming. Deb 1886/91 3\(^1\)2pc
Do. 7\(^1\)4pc 1st Ming. Deb 1887/82 3\(^1\)4pc
Oglity 20tts
Parificial 5p
Parificial Todile 4.2pc Pf 2.1p
Pillsbury 20tts
RPH 8pc Deb 1882/98 4pc

Parishmed Tendile 4.2pc Pf 2.1p
Plantamy 20cts
RPH 8pc Deb 199298 4pc
Do. 7-ppc Une In 169792 313pc
Do. 5pc Une In 169792 313pc
Do. 5pc Une In 1898/2004 4-2pc
-Do. 4-2pc Une In 2004/109 2-4pc
Royal Bank of Canada Fits Rass Debe 2005
\$75.05
Second Marriest Investment 2-1pc Une Let
1984 1-4pc
Standard Bank Imp. & Exp. Fin. Gtd Fits.
Rase Notes 1982 (200.56
TR City of London Trust 0.73p
Do. Pai 7p
Do 8pc 1st Pf 2.1p
Do. 8pc 2nd Pf 2.1p

**■** GIROBANK has appointed

Mr Gordon Henderson as head of corporate quality to direct the bank's total quality

■ IRON TRADES INSURANCE

following appointments from

underwriting; Mr Anthony C. Cushing, assistant general

manager - group planning and control; Mr Joseph M. Hovey, chief accountant; Mr Nicholas T. Michaelides, planning and

control manager, Mr David Shillaker, systems manager, Mr Ashton West, commercial

claims manager, and Mr Ian Dalgarno, manager, south east

region administration. AIR-INDIA has appointed

Mr Raj Kumar Kaul as

eirline since 1960.

manager - London. He was manager - Bombay Airport (cargo), and has been with the

From October 1 Mr Nigel

Gilson becomes group managing director and chief operating officer of B. ELLIOTT. He was a main board director with Metal Box

responsible for beverage and European packaging

Mr Barry Newton has been

appointed director of professional services, and Mr

Ron Orme becomes sales

director of MEGA, Surbiton Surrey, software specialist.

management strategy.

GROUP has made the

September 1: Mr Brian Connell, assistant general

manager - commercial

#### **DIARY DATES**

International Menswear Fair - Management Exhibition and MAB (01-437 8754)( until Conference (01-637 2400) August 31)

**Earls Court** September 11-14 Gifts West (01-637 2400) **Bristol Exhibition Centre** tember 16-24 British Marine Industries Pederation International Boat

Southampton September 25-27 September 25-27 International Garden and Lei-sure Exhibition - GLEE (01-390 NEC, Birmingham September 27-29

Show(0703 737400)

Trade Fairs and Exhibitions: UK Water and Environmental

September 27-29 City of London Wine Fair (01-638 4141)

Barbican, Loudon &C2 September 28-30 National Finance Directors Exhibition and Conference (01-837 1133)

Business Design Centre, October 2-4 International Flower Trades Exhibition - IFTEX (01-486 1951) Alexandra Palace, London

#### Overseas Exhibitions

August 30-September 1 Traffic Engineering and Road Safety Exhibition - TRAFFEX (01-636 3956)

Canberra September 1-6 International Machinery, Fac-tory Automation & Electronic Technical Exhibition - MECT-ASIA (0494 729406)

September 4-10 International Autumn Fair (0375 392222)

September 4-8 Crystalware, China, Ceramics, Jewellery, Gifts and Furnishing Articles Exhibition - EURO-PACADO (01-434 1825)

September 6-10
Building and Construction
Exhibition - CONBUILD (021-454 3385)

Sydney

September 7-9 International Autumn Fair (01-977 4551) September 11-18 International Autumn Fair (Zagreb 41/511-666)

Zagreb September 13-18 International Motor Car Workshop, Service Station Equipment and Auto Spare Parts and Accessories Trade Fair (01-734 0543)

annual conference: New forms

of ownership - management

and employment (0222-42588)

Cardiff Business School

The Industrial Society: Har-monisation — A one-day semi-nar to examine the principles

and practice of harmonising

terms and conditions of employment (01-839 4300)

3 Carlton House Terrace,

London SW1

September 16

September 16

Frankfurt

#### **Business and management conferences**

August 30,31 and September 1 Financial Times Confrences: Commercial aviation to the end of the century - Expansion in an era of accelerating change (01-925 2323) Hotel Inter-Continental, London

September 8-9 CBI: Increasing your sales to the Ministry of Defence (01-379 7400) Centre Point, London WC1

September 8-9 The Industrial Society: Industrial relations for new managers (01-262 2401) Central London September 9

Channel Tunnel Conference: Channel Tunnel - make it your business (0904 653655) Viking Hotel, York September 12 The Economist: 1992 - The

implications for marketing, advertising and the media (01-839 7000) Marriott Hotel, London September 12 CBI/Marketing Society: Mastering the market (01-379 7400)

Centre Point, London WC1 September 13 CBI Conferences: European standards - Who needs them? (01-379 7400) tre Point, Landon WC1

Sentember 14-15

of property investment and development (01-824 8257) London Press Centre September 19.20.21 The FT City seminar (01-925

Hawksmere: Insurance aspects

Plaisterers Hall, London EC2 September 20 CBI Conferences: Your annual report (01-379 7400) Centre Point, London

September 21-23 International Chamber of Commerce: investing for growth opportunities in worldwide deregulation trends (Paris (1) 45.62.34.56)

September 22-23 The Institute of Chartered Accountants: The 1988 Industrial Tax Conference

Holiday Inn. Leicester Employment Research Unit Anyone wishing to attend any of the above events is advised to telephone the organisers to ensure that there have been no changes in the details published

#### FINANCIAL TIMES CONFERENCES THE FT CITY SEMINAR

London, 19 20 & 21 September 1988

The seventh FT intensive seminar to be held once again at the Plaisterers Hall, the highly successful venue for this prestigious training programme, presents a valuable opportunity for young executives, trainees and others to examine the structure and functions of the main institutions and markets of the City of London. A high calibre panel of speakers traditionally takes part in this Seminar and September's line up includes Philip Warland of the Bank of England, Christopher Johnson of Lloyds Bank Pic, Ian Morison of Midland Bank plc, John Atkin of Citibank NA, David Suratgar of Morgan Grenfell & Co Limited Francesca Edwards of J P Morgan Securities Ltd, David Malcolm of Royal Insurance plc, Peter Rawlins of R W Sturge & Co, the Rt Hon Sir Edward du Cann, KBE of Lonrho Plc, The Rt Hon John Smith, QC, MP, Shadow Chancellor of the Exchequer, Mr Armen Kouyoumdjian of International Mexican Bank Limited and John Plender of the Financial Times. Chaired by Marc Lee, the FT Conference Adviser, the seminar presents numerous opportunities for those who attend to question speakers and debate with them. Attendance has extended internationally over the years, and the programme is most suitable for foreign participants who wish to make as comprehensive a study of the City as possible in three days.

**ELECTRONIC FINANCIAL SERVICES** London, 20 & 21 October 1988

The FT sixth conference on Electronic Financial Services in the 90s will review the way new technology is being used to extend retail financial services for both traditional and new financial services providers. It will examine the need to develop systems for more effective management reporting and systems which treat customers as individuals rather than as a series of account numbers. The two-day meeting will be chaired by Mr Jacques De Keyser, General Manager of the Generale Bank and Mr Gene Lockhart, Chief Executive, Group Operations, Midland Bank. Contributors will include Mr Sinbad Coleridge, Deputy Divisional Director, Corporate Division of Barclays Bank, Mr Michael Tuke, Deputy Chief Executive, Woolwich Building Society, Mr Giovanni Franzi, Managing Director of In-Holding SRL, Mr Peter Duerden, Managing Director, Royal Insurance and Mr R Bernard van Eldik, President of the European Council for Payment Systems.

THE OUTLOOK FOR WORLD MOBILE COMMUNICATIONS

Deutsche Bundespost.

Mobile communications is one of the fastest growing sectors of the telecommunications market. This two-day conference will look at the rapid changes that are taking place in the market, and of the many factors that affect the progress of mobile communications. It will also examine the practical implications that must be addressed by telecom enterprises as well as the range of opportunities now being opened up in both equipment and services. The distinguished panel of speakers who will lead the debate include Mr Robert Atkins, Parliamentary Under Secretary of State for Industry, Dr Stephen Pascall, Commission of the European Communities, Mr Kohei Nishino, Nippon Telegraph & Telegraph & Register & R Telephone Corporation, Mr John Carrington, British Telecom Mobile Communications, Mr Gerry Whent, Racal Telecommunications Group and Mr Amin Silberhorn of the

All enquiries should be addressed to: The Financial Times Conference Organisation, 2nd Floor, 126 Jermyn Street, London SWIY 4UJ. Tel: 01-925 2323 (24-hour answering service)
Telex: 27347 FT CONF G Fax: 01-925 2125

# U.S. \$70,000,000

In accordance with the provisions of the Notes, notice is

Agent Bank

#### **WEST GERMAN START-UPS AND FAILURES**

	Starts	Failures	Change
1974 1977 1980 1983 1985	135,000 154,000 178,000 297,000 299,000 295,000	146,000 147,000 135,000 235,000 265,000 249,000	-11,000 +7,000 +43,000 +62,000 +34,000

Source; Institute for Small business Research, Bons

niche markets.

internationally, aggressive and

innovatory companies like Krones

have carved out leading positions in

Today, when the German econ-

omy is growing at a respectable but

hardly exhilarating pace, attention

is often focused on the structural

and strategic efforts of the big com-panies. Where, ask some critics

plaintively, are the successors to

entrepreneurs like Max Grundig,

who built up a consumer electrical products empire after the last war, and Heinz Nixdorf, who later did the same in computer systems? And

There are several answers. First, it is true that there are no modern

equivalents of Grundig and Nixdorf,

or of European businessmen like Sir

James Hanson, Carlo de Benedetti,

or Alan Sugar. One reason is Germany's solid business structure, in

which unfriendly takeovers are

unknown, banks play a strong back-ground role, the emphasis is on

long-rather than short-term perfor-mance, and maverick personalities

But also, says Thomas Matzen, head of the German management

buy-out operation of Schroders mer-

chant bank of the UK, the post-1945 environment has changed. Starting

businesses in the 1940s and 1950s

required people "with real entrepre-neurship, very high personal com-mitment, and dedication." They had to accept considerable risks. Enthu-

siastic and loyal managers and

workforces were also vital. "Build-

ing up the German economy again after 1945 generated a certain spirit

among entrepreneurs and their

Times have changed and people

have become prosperous. But the

upheavals of war, inflation, and depression have left their mark. "In

Germany," Matzen points out, "there are hardly any families

ting excited by new ideas."

are distrusted.

if they are not there, why not?

Hermann Kronseder picks up a bottle of local Thurn und Taxis beer and points to the shiny foil round the neck. "It took 10 years to develop this," says the former Messerschmitt aircraft apprentice, about an automatic process made only by Krones, the company he founded near the attractive Bavarian town of Regensburg. "In the 1950s, only one German brewery had this foil – Löwenbräu in Munich. It had to be put on by hand

and it was expensive."

Now, he says, the silver or gold-looking neck is a must for breweries with upmarket beers - "if it looks good, it tastes better." The aluminium foil labels can be slapped on at the rate of 21 a second.

Since setting up Krones 37 years ago, Kronseder, a forceful 64 year-old, has built it into the world's leading producer of bottle-labelling machinery, with a strong market presence in filling, inspection, and sealing equipment. Like many other successful German entrepreneurs, he has thrived by anticipating cus-tomers' tastes rather than following market trends. The foll application process gave Krones a boost in the 1960s, when it was still struggling to build up sales.

#### people tend to think twice before getting excited by new ideas.'

In 1968, Krones started up in the US. Before beginning to manufacture, however, it concentrated on training and on establishing a service back-up. It took several years for this move to pay off. Now, as well as the numerous German brewers, its customers include the big American and Japanese beer pro-ducers. It also has an operation in

Companies like Krones and men like Kronseder come from the so-called Mittelstand, a word which, according to the dictionary, means middle class but the general meaning of which is independent smalland medium-sized business. The Mittelstand is considered to be Germany's industrial backbone. While big concerns like Daimler-Benz, Siemens and others are better known Entrepreneurialism in West Germany

# Breaking free of the restraints of caution

Andrew Fisher continues a series on the country's economic strengths and weaknesses by reporting increased enthusiasm for setting up in business

"They are not mentioned in the newspapers every day because they don't operate in such a spectacular way. But they are there and I think one criterion for the health of the German economy is the fact that we have this Mittelstand structure. Companies are adaptable and close to their markets."

Ironically, Nixdorf Computer, now headed by Klaus Luft after the death of its founder more than two years ago, is going through a slack profits period. Stiff competition and rising costs have cramped its growth. As for Grundig, it is now being run profitably by Philips of the Netherlands – after being put through a severe course of treat-ment - after it ran into serious

problems in the late 1970s. Both examples show the growthinhibiting strains that develop once a certain size has been reached. "Reaction times in the Mittelstand sector are incomparably better than in the incompanion several than in the groups," says Fritz Lackmann, a business consultant on the supervisory board of Bijou Brigitte, a fast-growing fashion jewellery maker and retailer based in Ham-

Friedrich Werner, the 45 year-old founder and head of Bijou, began his business at the age of 21 when he was stuck with some sample plastic necklaces from Hong Kong.
"My friend got cold feet and I had to start with a small suitcase." Today, the company has 80 shops throughout Germany, is adding to its manufacturing and warehouse facilities in Hamburg, and aims to expand both in and outside the country.

"We had to create this market ourselves," says Werner, whose company's product range includes ear-rings, belts, brooches, and other accessories which retail for between 98 pfennigs (30p) and DM 200 (£62). "It is not the teenies who are our biggest public, but fashion-conscious women of between 20 and 60 years old. We are taking advantage of the preference for more relaxed

which did not lose all or significant parts of their property at least twice during the past 70 years." So "peo-ple tend to think twice before get-With his black Jaguar parked out-side his new office building, Werner personifies the self-made, free-Yet in the Mittelstand, the host of successful companies adds up to a powerful economic force. At this level, individualists abound. "Our wheeling entrepreneur willing to take off new directions. He is in an economy is structured around the area where markets can change and competition can intensify, espe-cially from big store groups. How-ever, he adds: "We can change pro-Mittelstand where there are plenty of Nixdorfs," says Alfred Herrhausen, chairman of Deutsche Bank.

duction overnight. If the demand is suddenly for red belts, we can drop the black ones. In the retail and fashion field rapid reaction times are important.

Speed of reaction is what prompted a company in a very different area, Schneider Rundfunkwerke, to start making its own per-sonal computers this year after ending its association with Amstrad, the UK company led by Alan Sugar. Like Krones and Bijou Brigitte, Schneider is a fairly young. company. But it has outgrown the Mittelstand phase, with turnover last year of DM 720m (\$390m); its aim is for DM 1bn next year or in 1990. Krones should reach DM 350m year after DM 297m in 1987, while the smaller Bijou is in line for at least DM 45m against DM 34m. All three have a minority of shares quoted on the stock market.

Bernhard Schneider, 53, stresses that the company he controls with his brother Albert is not out for growth at any price. "Alan Sugar is a phenomenon," he says of the Amstrad founder. "He has achieved much greater growth than we have. We have a high respect for him

But, as Germans have an inclination to make things, Schneider does not just want to sell-products from the Far East under its own name. Unlike Sugar, "we are more oriented to our own production. We want to build up development and production know-how." Schneider, based in south-west Bavaria, began as a furniture company, branching out into audio when the electronics firm for which it made casings went bankrupt in the early 1970s.

It only began making its own computers this year, though it still imports the monitors and disks. Schneider aims to match Asian costs by being highly automated while gaining valuable time to react to trends by having its development

and production in-house. And for Germany, he says, "it makes sense in the long term not to let everything wander abroad," noting that much capacity — for example, in precision instruments and optical

products - has gone.

As well as taking the risk of manufacturing its own computers - output should soon exceed 20,000 a month - Schneider has allow format. half of Dual, the ailing German record player company, from Thom-son of France in a bid to restore its son of France in a bid to restore its fortunes and use its capacity. It intends to buy the other half this year. Stressing the flexibility of Mittelstand companies, Schneider is optimistic about the company's ability to perform in Europe's post-1992 environment. "It's not only the hig who swallow the small, but the fast who beat the slow."

These days more and more Ger-

These days, more and more Germans are forsaking the cosiness of secure employment to start their own businesses. In the last 10 years, the number of start-ups has nearly doubled. It totalled 295,000 last year, externologies, lamidations by over outnumbering liquidations by over 46,000 compared with a balance of only 7,000 in 1977; in the early 1970s, liquidations had the upper hand.

Most start-ups, though, are in traditional sectors with stagnating. markets; half are in services, 10 per cent each in manufacturing and construction, and the rest in trade.

"The number of industrial start-ups is unsatisfactory," says Horst. Albach, an economics professor and former head of the Institute for Small Company (Mittelstand) While the readiness to form new

companies is on the increase, "the willingness to take risks is less marked." Around 30 per cent of start-ups fail in the first few years. mostly because their products or Service lacked originality.

Undoubtedly, the freer business climate promoted by the centre-right coalition government of Chancellor Helmut Kohl has stimulated.

new businesses. But criticism is still rife that the Government has not done enough to break down bureaucratic rigidity, to deregulate and privatise industry, to lower taxes to levels of those abroad, and cut subsidies to unprofitable sectors like agriculture.

Yet despite the slowness of struc-tural change, the German economy



Hermann Kronseder (left) and his son Volker: "If it looks good it issue better"

has performed better than expected this year, though there are doubts about 1989. Helped by the weakness of the D-mark, exports have contin-ued to boom. The big chemical groups have shown impressive profits growth. Even Siemens, the electrical and electronics group which cut its dividend a year ago, is back

on a gentle upward path.

Without Siemens' capacity in
memory chips, Schneider would not have been able to obtain supplies for its new computers so readily, says Bernhard Schneider. In fact, the willingness of German concerns to invest in the future is often at the expense of short-term profits. Schneider itself will show little or no growth this year because of the switch to its own computer produc-

Krones' earnings dropped m 1966, as it reorganised output between its plants. This year, Krones is forging ahead again after a turnround in 1987. "One reason for our growth is the high quality demands of German brewerles," says Volker Kronseder, the chairman's son and per-

sonnel manager. From the start, his father visited customers regularly to assess their needs. Now, the slowest Krones machine - all have a high electronics content - can label 3,000 bottles an hour, with the fastest doing 80,000. Altogether, the company has some 600 patents, with innovations often stemming from its highly skilled workforce.

For a company like Krones to stay ahead, constant investment is necessary, whether in new machin-ery, an extensive service network, or training. The best German companies stress all three.

While US companies tend to be stronger in marketing and design. Germans are often better at developing and applying technologies. says Jonathan Fleming, a vice-president of TVM Techno Venture Management, a venture capital firm with German and foreign partners. This long term orientation is an advantage in markets where you're not penalised for not moving fast

But whether the perspective is long- or short-term, however, what counts in the end is drive and the desire to make money. Nixdorf's Luft reckons Germany has some way to go in these areas. "The issue is not how many millionaires there are, but how many want to become one. The dream to be a millionaire is not yet as widespread as in the US."

## **Business Opportunities**

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

#### **Publishing Opportunity**

OFFERS INVITED FOR ESTABLISHED MAGAZINE Britain's first and foremost home computer magazine, Your Computer, is offered for sale by Focus Magazines. This well-known and respected title is being sold following recent realignment within the marketplace.

> Further details from: The Publisher, Your Computer, Greencoat House, Francis Street, London, SW1P 1DG (NO AGENCIES PLEASE)

#### LOOKING TO GROW YOUR BUSINESS?

If you own and run your own successful company and you're planning future expansion, Cranfield School of Management, one of Europe's top ness schools has a programme designed especially to help you.

Called the BUSINESS GROWTH PROGRAMME and run on a

part-time basis over 3 months, it provides a unique opportunity to plan and achieve successful growth for your business. A team of unrivalled expertise drawn from venture capital houses, financial institutions and business consultancies contributes to the programme. For information phone Eve Hussey on 0234 751122 X 3282 (office hrs) or 0234 752725 (24 hrs)

#### ESTABLISHED SOFTWARE PRODUCTS FOR SALE

A unique opportunity has arisen to acquire the complete rights to two established software packages, in the field of information management and communications, These packages, which have been developed by an expanding software company as part of its vertical market business focus, have wide application across the spectrum of personal computer usage.

Write Box F8428, Financial Times, 10 Cannon Street, London EC4P 4BY

#### INVESTMENT OPPORTUNITY

Unique and diversified stock and share Portfolio Management Company with an established and growing UK wide client base. Trading profitably post crash. Seeks a "Big Brother" with a view to Equity participation and to assist with dynamic expansion plans.

Write Box F8426, Financial Times, 10 Cannon Street, London EC4P 4BY

#### INTERNATIONAL COMPANY SERVICES LTD

Incorporate and manage companies in: UK. Isle of Man, Gibraltar, Turks, Angolda, Channel Islands, Panama, Liberia, Hong Kong etc., and provide full domicillary and nominee services. Brochour and details of Res from: Springfield Court, New Castletown Road, Douglas, Life of Man. Tai: (0624) 25000 Fax: 0624 20986 Telex: 628554 ICSIOM G London representative:

International Company Services (UK) Ltd., Standbrook House, 2-5 Old Bond Street, London W1. Tok: 01-483 4244 Fax: 01-491 0605 Tix: 28247 ICSLDN G

#### Former PLC

Chairman has funds to invest in suitable companies needing addi-tional finance. Would undertake executive assisdirectorship where appropriate.

Particular interests Hardware.

Ciffware, wholesaling or import

Write Box F7776, ncial Times, 10 Caunon London EC4P 4BY

#### INVESTMENT

Does your business need Financial and Management nvestment?

Substantial funds available for small businesses with growth potential.

Apply in confidence to Alan Vanse, Milne Ross, 12A Upper Berkeley Street, London W1H 7PE

#### QUALITY SILK LINGERIE

Overseas manufacturer of quality silk garments is anxious to contact agents/ wholesalers to cover U.K. and Europe. Own labels and designs available.

Reply in first instance for Mr W Cox. Tel: 0453 845011 Fax: 0453 844998

#### **UK Distributor** required

for the finest range of German lager beers currently available. Write Box F8427, Financial Times, 10 Camon Street, London EC4P 4BY

#### Available experienced Pic Main Board Director Looking for non-executive directors

Receivables approximately

£4 million.

Write Box F8429, Financial

Write Bax F\$430, Financial Times, 10 Camon Street, London BC4P 4BY

#### Quality Leasing APPLETON HOLDINGS PLC - DEVELOPMENT Book with good returns CAPITAL offered for sale.

We wish to hear from profitable private companies who require development capital to achieve their full potential and who would benefit by association with a Public group. Tel: Roderick Gordon 01-748 9020

**NEW VENTURE/** 

EXPANSION/RETIRING?

Friendly trading Company based in Cheshire wishes to make investment, in small/medium sized businesses. All activities considered and totally flexible attitude adopted. Both financial and management support available.

Write in strictes confidence to: Box F8431, Fmancial Tunes, 10 Cannon Street, London EC4P 4BY

Pin and video productions for marketi training, company pholise and broads advertising. Harleyguild 01 783 1150

SYLLING YOUR BUSINESS Or in search of acquisitions? Require Development Captar? Gerhot! Bentley Ltd. 01-746 9020.

#### FINANCE YOUR STOCK

We offer a unique stock finance facility to manufacturers and merchants and are seeking to expand our client base. If you require stock finance se apply in writing to:

Churchili Merchanting Limited, 136 Buckinghem Palace Road, LONDON SW1W 9SA Telephone: 01-730 8428

We are an international trading company and are looking for com-panies who require the expertise or finance to expand their activities into the international marketplace and develop a close working rela-tionship with an established

For an loidel discussion please contact: GOC international Ltd., Walker House, 87 Queen Victoria Struct, Landon EC4V 4AB. Tel. 81-489 8797, Fac. 91-489 8999

#### LOOKING FOR A BUSINESS? If you want to buy or back a business Venture Capital Report gives details of 450 specific opportunities pa

For full details without obligation contact:

VCR, 2 Boston Rand, Henley on Thu RG9 IDY Tel: 6491 579999 A member of FIMBRA

#### Copper Cathode under LME Price London for sale

VAMA-EXPORT Germany 02307/704129

#### BRITISH RESIDENT

OF LOS ANGELES, CALIFORNIA, ENGAGED IN IMPORT/EXPORT TRADING INVITES CONTACT FROM FIRMS SEEKING U.S. WEST COAST REPRESENTATION.

Write Box F8425, Financial Times, 10 Cannon Street, London, EC4P 4BY,

#### FIJI ISLANDS -**MARINA**

Partner required to develop 11 acra site in ldylic bay. Hotel, yeart club, bost yard, 100 kmmy houses and condominium units, marins, chandlers and shops, invest-Tel: 082342 498

#### DREAMS IN AN EMPTY CITY

Stunning epic play by award winning Australian playwright. International cast, season at Lyric Hammersmith, West End interest, Britain-Australia Bicentennial event, Royal Gala Charity Performance 14th September 1988.

Investors wishing to participate ring 01-373 7914 or write WA., 21 Earls Court Square, London SW5 9DE

#### **Business Services**

#### MANAGEMENT, ADVICE AND ADVERTISING AGENCY ALKMAAR

is ready to help you with just about any requirement.

Call us for our information pack and you will see that only the truly impossible is outside our capabilities.

We offer clear, practical advice for such matters as personnel recruitment, searching for the right supplier, interior design, work clothing and music systems.

Other services on request.

#### For further information:

Tel. (31) 072-12 30 59 Fax. (31) 072-12 30 59 ext. 8 Telex 57768 telal nl

WE CANNOT GUARANTEE SUCCESS, BUT WE CAN DIRECT YOU TOWARDS THE RIGHT RESULT

**MOVING OFFICES?** 

Countywide office refurbishment, fitting out, and relocation service. Northern based professional consortium able to offer design and implementation at very

Tel: No. 0282 21961

Monday-Friday

authority offers

consultancy assistance to

small companies.

ALPHA-C Management

Consultancy.

tel: 061 998 9854

BUSINESS AND ASSETS of solvent and insolvent companies for sale. Business and Assets. Tet.01-235 1184.

Edinburgh Hotel

tetting bedrooms, (all E/S), bar, daing room, meeting teclifies, O/T Turnover 2400,000. Freehold price \$1,250,000

Principals only piesse Tel: 021 456 3003

Aircraft for sale

DUNCAN

AVIATION

82 Jetstream 3101-605 82 Citation II - 0356 82 Learjet 35A-456 83 King Air F-90-1 #LA-205 81 Learjet 35A-378

(402) 475-2611

Close to city centre, fully modernised and returbished

International managem

#### A & G MANAGEMENT CONSULTANTS

With 20 years experience in the extering industry lot us assist you with your problem, botel, restourant, etc. Cash flow, finance, business projection, budgeting, etc. for both the private and public sector.

Ring any times 0860 302983

#### BUSINESS CENTRE,

London NI (close to city): Con-ferance room, office suites, secretarial services, facsimile, pho-TEL 224 6681, or FAX 226 7830

MANAGEMENT CONSULTANT AVAILABLE. Construction industry a speciality. Dr Rocdy Clarks. 18 St Ness Carden, Beliset 579 5DN. Tel: 0232 654112

#### Hotels & Licensed Premises

FREEHOLD HOTEL FOR SALE

40 Bed Commercial Hotel

Busy Lancashire Town

Centre Fully operational with good trading results but excellent scope to improve

turnover. Write Box H3791, Figureini Times, 10 Cannon Street, London EC4P 4BY

## **Businesses For Sale**

#### LIMITED

- Turnover £1.5 million Leasehold factory of 7,000 sq ft in Cardiff
 5 employees

For further information contact: H G Jones, J P Considir or K N K Williamott Cork Gully Charchill House Charchill Way Cardiff CF1 4XQ Telephone: 0222 237000 . 5 15

. = 4.2 April 1990

Y ...

تنده .

- . 2.7

100

· We

May B

Non El

Signal Attent

i i

San Frank

Halle tillets

Salaria victorias.

PEREEI

PISTRE

 $/M_{\rm SCB}$ 

2 30

Conte

4.1

WASP Wall to

Fax: 0222 223361

The Financial Times proposes to publish this

#### Saturday 24th September

For a full editorial synopsis and advertisement details, please contact:

> Jacqueline Keegan on 01-248 8000 ext 3740

or write to her at:

London EC4P 4BY

## **CONTAR UK**

#### IN RECEIVERSHIP

The business and assets of the company are available for sale as a going concern. The business holds all world manufacturing and name rights for the fast curing methylmethanecrylate based acrylic polymer resin CONTAR floor systems

Cork Gully

ez: 497632 COLYCF Q

Cork Gully is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business

#### **FRANCHISING**

survey on:

Bracken House, 10 Cannon Street

FINANCIAL TIMES



Janice Cairns and Malcolm Donnelly in Tosca

## ENO season starts with a whimper

Max Loppert and Richard Fairman are disappointed by a poor show at the Coliseum

Last Friday the Coliseum opened its doors for the 1988-89 season. Since one has every confidence that the company will reach and maintain its usual high standards during the coming months, the revival of David Pountney's dire Cor-men production (first seen in 1986) can be passed over with as little ceremony as possible, if not actually in silence.

On a second viewing it seems more of a quaint costume drama than ever, in its modernized posturing, and with its used-car-lot imagery and gum-chewing on all sides

- more, certainly, than even
the most hackneyed "big
house" Carmen! Almost the
only point of theatrical interest about this tacky, ill-thought-through, ineptly staged affair is how and why a producer like

Pountney, capable of genuine musico-dramatic revelation, could want to dull and deaden the opera this way. This will surely prove to have been the low point of his ENO career. In purely musical terms, however, the show has improved a great deal since that crashingly heavy 1986 first night. The new conductor, Yan Pascal Tortelier (house debut), finds finds suppleness in rhythms and against all the odds brings to the score an authentic French elegance. Neither phys-ically nor in terms of timbre is Jean Rigby a natural Carmen, but the voice is smooth and beautiful (except when she strains for notes above F). Ser-gey Leiferkus has a whale of a time as Pountney's Escamillo-

as-Elvis, and though the ripe Russo-English adds its own

touch of unintended comedy to the opera's problems, the sing-ing is vital and sharp-cut.

Best of all, Jacque Trussel almost pierces the production's

almost pierces the production's never-never-land air with his intensely physical José, heart-breaking in decline and eloquently sung. Altogether, though, it is sad to see such a fine cast so cruelly wasted.

For ENO to follow what is arguably the most unsatisfactory production of the comtory production of the com-pany's history with another that is fatally devoid of any genuine dramatic force is a strange, and not very inspiring way to start the season, writes Richard Fairman. The strength of opera at the London Coliseum is that a performance can work as a totality even if indi-vidual excellences are wanting, but in Saturday night's revival

of Tosca it was the overall direction that had laid a dead hand on the proceedings. The set for Jonathan Miller's production of the Puccini, with its constant 45-degree tilt to starboard, is so bizarre that one feels at curtain up the director must be intending to present the work in an extreme and very individual light. But as the evening progresses the main impression that is con-veyed is of relationships halfheartedly drawn, and a luke-warm contact with the atmo-

sphere of an opera that needs to be felt, and communicated, at white heat. Of the dramatic excitement that Opera North brought to their Tosco, there

On another occasion one might find more to admire in Malcolm Donnelly's gruff and

rather ineffectual Godfatherlike Scarpia, or Paul Daniel's intermittently active direction from the pit. Both had some good moments to offer, as did Edmund Barham in his ringing cries of "Vittoria" though he, too falls short of the idea. too, falls short of the ideal requirements of a Cavaradossi, because the voice lacks Italian warmth lower down.

From these general criticisms, however, the Tosca of Janice Cairns should be excepted, for in her seemed to be concentrated all the electricity that was missing in the air around her. This was a fine solo performance, sung on the right scale and acted with an unstinting intensity. During the rest concentration was apt to wander, and in Toscz, of all operas, that means something is decidedly wrong.



Jean Rigby as Carmen

## Earl acquires the fine art of souvenir hunting

Susan Moore visits Burghley's summer exhibition

HE SUMMER exhibition at Burghley House, Stanford (until October 9), has achieved a quite remarkable feat. Ostensibly, its focus was John Cecil, the fifth "travelling Earl" of Exeter (1648-1700), who undertook no fewer than four Continental tours some 50 years before the Grand Tour came to be considered an ssential part of a gentleman's

On display is a selection of the hundreds of works of art, furnishings and souvenirs that he brought back from France

His 17th-century Italian paintings were said to "infinitely exceed all that can be seen in England," and would grace any national gallery of

Presented alongside are some of the lavish textiles, tapestries, furniture and silver that provided their setting. Burghley's Elizabethan interiors were transformed into those belitting a baroque pal-

What the display manages to convey is a sense of how a house such as Burghley was brought into being. It is all too easy to see an historic house as a fait accompli and not as the fruit of the ambitions, schemes and skills of successive genera-

r Sale

MIF

on the last leading

THE STREET

The state of the s

of Parties

In this modest exhibition, it is not the sumptuous objets d'art that blow away the dust of 300 years so much as the hreath of the faded 17th-cen-tury accounts and inventories. Lord Exeter might have lacked John Evelyn's compul-sion to record his travels in diary form but he did have Cul-

pepper Tanner, his steward.
Tanner recorded meticulously everything that was spent for the four journeys. It might be a Carlo Maratta can-

vas (600 crowns), straw for the 30 or so horses, or linen for the pet dog, Towser. The progression and incident of the earl's unwieldy entourage of family, chaplain, zervants and soldiers can therefore be pieced together.

Transport costs, racing bets, sales of surplus English wool-ien clothes and pots and pans are all recorded. There are also notes of payments to imps to choosing the furnishings and look after sick servants — Culpepper himself contracted pneumonia — or for wine, no a surfeit of fruit, not lampreys)

less, in which to bathe lame her personal debts of an All the while, letters and fab-All the while, letters and fabric samples are passing across the Channel concerning the army of French, Italian and native craftsmen — Verrio, Laguerre, Tijou, Grinling Gibbons — at work in the house (little wonder the family exercity) escaped).

Thomas Stretch (and what more appropriate name for a tradesman-upholsterer) sends details of room measurements for hangings and for paintings for mantels. Lord Exeter instructs that payment be made to Jean Jans, manager of the Gobelins tapestry work-shop, and the chaplain asks for his favourite cheese. The inventory drawn up in

1688 reveals exactly what is in the house at that date, and How compelling it is to discover that only the female fig-ures from a set of eight exqui-

It is not the objets d'art that blow away the dust of 300 years so much as the faded 17th century

accounts and inventories sitely carved classical boxwood statues bought in Italy should be kept in milady's dressing

room and closet. How strange that the house contained as much Japanese porcelain as it did Chinese blue and white, the latter piled high on Dutch-style stepped corner

chimney-pieces.
Only recently was the ivory model after Bernini's Daphne and Apollo, bought for 60 crowns in 1684 and recorded in milady's closet, discovered at the back of a broken china cupboard, having gone astray in

the 19th century. It seems hard to decide who is the hero of the piece, Culpep-per Tanner or the cheerfully extravagant earl. In fact, the extravagant earl. In fact, the accolade must go to Lord Exeter's wife, Lady Anne Cavendish, who enriched Burghley by bringing a number of works of art from Chatsworth on her marriage. Unusually, she seems also to have been as responsible as her husband for choosing the furnishings and decoration of the house.



Perplexed in love: Kenneth Branagh as Benedick

## Much Ado About Nothing

Renaissance Theatre Company sweeps into the West End after a triumphal round-Britain trip with the first of a three-play Shakespeare repertoire that casts Judi Dench, Geraldine McEwan and Derek Jacobi as directors for the first time.

As well as being the scourge of both the maid's quarters at Dench's treatment of Much Burghley and the watering Ado About Nothing is fine and holes of the town for over a decade, it transpires that the flery Bolognese was also a shoe flowing, with an early tartness that sours with Claudio's rejection of Hero — a cruelty that leaves Tam Hoskyns open-mouthed with the unseemly inarticulacy of extreme grief fetishist: one more bizarre detail that art history relates before mellowing into reconcil-

By far the best testimonial to the taste and acquisitiveness of the fifth Earl and Countess of It is very much an actors' production which takes its life from the quality and commit-ment of a cast led by Branagh himself as a Benedick whose valiantly feigned mysogyny never quite conceals the fact Exeter is the house itself. Those who can face first poring over the accounts in the exhibition will be rewarded by a feast of appetising hors

Branagh's that he is, at heart, a second-rate sonneteer. There is a warmth about Branagh's sparring and a breadth to his humour that finds a delicious foil in Samantha Bond's cutcrystal delivery of slights that have seldom seemed so slight-

The Austenesque setting and costumes merely underline that here is a Shakespearean heroine who could equally hall from the pages of *Pride and Prejudice*. Yet she too has a kindness which emerges through the subtlest inflec-tions in her rejection of Don Pedro's suit: a discreet softening of tone signals that for once a compliment is not only

well-turned but heartfelt. For a moment honour hangs above the ardently upturned eyes of Richard Clifford's

spurned aristocrat, and in a

moment it is returned to him. The poise and respectfulness of the moment reinforce the cal-low cruelty of James Larkin's Claudio, whose passions are from the start boyish and

intemperate.
It is in the intricacy of such interchanges that the production strikes most forcefully and, incidentally, where it raises the most laughs. The broad humour of the consta-bles is a little creaky in the joints, albeit led with a virulent bristling of malapropisms by David Lloyd Meredith's sturdy Welsh Dogberry. In such as Sophie Thompson's skittish maidservant Margaret and Shaun Prendergast's stiff little sqeaky-voiced Don John lies a less obvious, more inte-grated humour and it is this that finally carries the day.

Claire Armitstead

#### Miseria e Nobiltà EDINBURGH FESTIVAL

In the sunshine that heralded the final week of the dowdiest festival in its history, Edin-burgh's streets looked more inviting than the cultural offer-ings indoors. The junk stalls in the Grassmarket were more enticing than anything scav-enged by Frank Dunlop. The superb cafeteria in the Royal Scottish Academy is more noteworthy than stale frissons from yesterday's iconoclasts.

There is nothing like international culture for narrowing the mind, and the Gallery's Pietro Longhi exhibition makes one realise how great Hogarth was. Continuing the Festival's Italian theme, the Lyceum is playing host to the Neapolitan theatre company of Mario Scarpetta. Miseria e Nobiltà (Rich Man, Poor Man) is a farce by the actor-director's great-grandfather, Eduardo Scarpetta. Stylistically, this robust comedy of impersonation and social clan-gers is best described as a comic opera without music. First performed in 1888, it nevertheless cries out for Donizetti to set the absurd nouveau riche chef to buffo patter as he waddles excitedly round in an ill-fitting wig, thrilled at the prospect of a noble marriage

for his daughter. The aristocrats who arrive to give their supercilious consent are, in fact, a family of starv-ing down-and-outs, hired by the noble suitor to impersonate his disapproving relations. There follows a comedy of mocked snobbery and social clumsiness familiar from Cin-

derella to Pygmation. Scarpetta's production is a stilted descendant of Neapolitan physical clowning, and consists mainly in standing or sitting the actors in a row, while they communicate in shouts, and adding the occa-sional comic set-piece complete with funny walks and malapropisms (neatly conveyed in the simultaneous translation). Our own pantomime tradition looms close, especially in the backcloths with kitchen utensils and furniture painted on them. Some high-minded col-leagues have seen social significance in the depiction of poverty, but these cheery puppets are to sociology what Charley's Aunt is to counselling for

In the farrago of improbable coincidences and ponderous whimsicality only one serious thought is prompted. The chief comic's mistress of six years are translated an object. eventually stranded, an object of obloguy, while he, reunited with his long-lost wife, is depicted as a lovable rapscal-

lion. The note of Latin mate chauvinism sounds complacently on our ear. The much-courted heroine is surely the most strapping ballerina ever to emerge, even from Sophia Loren's hometown. The acting style echoes our Carry On films, without the innuendos or, alas, the vitality. The overall tone of noisy self-congratulation confirms my suspicion that the Neapolitans are the Merseysiders of Italy.

Ray Stricklyn's one-man show on Tennessee Williams, Confes-sions of a Nightingale, has enjoyed success across the Atlantic, which presumably secured its place in the official Festival. A slender 19-minutes' worth of rambling anecdote in St Cecilia's Hall, it struck me as better-suited to the fringe.

Together with Charlotte Chandler, Mr Stricklyn has compiled this monologue from Ms Chandler's conversations with Williams. He looks too tall, has too much hair, but weaves his way convincingly on stage with glass clutched firmly in hand.

Mr Stricklyn's impression of a maundering conversational-ist is almost tiresomely plausi-ble. There is little material that Williams' fans will not already know, from writing dialogue for an uncomprehending Lana Turner in Hollywood to the bingeing 1960s.

The show accurately por-

trays Williams' lugubrious obsessions. "You wanna know what loneliness is?" he and, like Pilate, not wait for an answer before telling us. Glimpses of friends are fleeting and superficial: Vivien Leigh ("she knew mad-ness"), Tallulah Bankhead ("too bad she destroyed herself"), Sister Rose ("put in a looney bin"), his mother ("an inefficient Prussian general"). "Life is very slow, theatre isn't," almost prompted the panto retort of "Oh, yes it is" from this listener. With "insan-

ity on three sides of my family 'and great eccentricity on the fourth," why is this so blandly dull? Perhaps because Williams put genius into his art, not his life. His language here is rid-dled with the triteness of romantic novelettes. His thoughts are banal, his conclusions commonplace. The only wit comes from a quotation of Dorothy Parker: "Scratch an actor and you'll find an actress." To which, on this showing, I would add: "Scratch a playwright and you get a bar-room bore."

**Martin Hoyle** 

#### Have your F.T. hand delivered in France

Lf you work in the business centres of ANTIBES, BORDEAUX, CANNES, GRENOBLE, LYON, MONACO, NICE, PARIS (all arrondissements) plus 92000 postal code, STRASBOURG, TOULOUSE or MARSEILLE — gain the edge over your competitors. Have the Financial Times hand delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that affect your market and your business.

12 FREE ISSUES



When you take out your first sub-scription to the F.T., we'll send you 12 issues free. Subscribe now and claim your free FT Centenary Gift.

Paris (01) 42 97 06 23 And ask John Rolley for details.

FINANCIAL TIMES

Europe's Business Newspaper

#### **ARTS GUIDE**

a Roman Republican. The grandest cabinet on dis-

play, decorated richly with

hirds and flowers inlaid in

hardstones and mother-

of-pearl, came as a gift from Cosimo III, Grand Duke of Tus-

Antonio Verrio's sketch for

the east wall of the Heaven Room at Burghley comes close to the end of the display, accompanied by a fascinating list of the materials and col-

ours needed for his vast trompe l'oeuil – and one of many bills

from the long-suffering Stan-

ford cobbler.

Aug 26-Sept 1 MUSIC

Lendon

Leipzig Gewandhaus Orchestra, conducted by Kurt Masur. Beethoven. Royal Albert Hall (Tue), (889 8212).

Leipzig Gewandhaus Orchestra, conducted by Kurt Masur with Peter Rosel (piamo). Mendelssohn, Rachmaninov and Strauss. Royal Albert Hall (Wed 7pm). Tallis Scholars, conducted by Peter Phillips. Alonso Lobo, Juan Gutierrez de Padilla and Victoria. St Paul's Church, Knightshridge (Wed, 10pm). (889 8212).

BBC Symphony Orchestra, conducted by Marek Janowski, with Lydia Mordkovitch (violin). Wagner, Szymanowski and Brahms. Royal Albert Hall (Thur).

Quator Carmina, Peter Wetts-tsin, Mendelssohn, Schubert. Auditorium des Halles (Tue 7

Aug 26-Sept 1

London
English National Opera,
Coliseum. The season opens wit
revivals of two of the less successful ENO productions of
recent times. David Pountney's recent times. David Pountney's ugly, coarse grained modern-dress Carmen does at least sport a highly promising cast, including Jean Rigby; Arthur Davies, Sergey Leiferkus and Susan Builock. Johathan Miller's limply staged Mussolini's-wartime-Italy production of Toesa has Janice Cairus in the title role, with pri). Concerto Armonica Ensemble. Bach choir from Anvers, con-ducted by Michael Scheck. C.P.E Bach's Saint Mark Passion. Saint-Sèverin Church (Wed 8.80

Sann-Severin channal (was soo pm). Nagoya Philharmonic Orchestra, conducted by Jun-Ichi Hirokami, with Reiko Nakaoki (piano). Mes-siaen, Mozart, Susumu Yoshida, Beethoven. Radio France, Grand Concertigebouw. Violin recital by Isaac Stern, with Robert McDonald (piano); Dvorak, Bartok, Brahms, Schubert (Tue). Zuhin Mehha conducting the New York Philharmonic: Zwillich, Schubert, Stravinsky (Wed). (718 345).

Vredenburg. The Ghant Colli-gium Vocale and instrumental ensemble under Philippe Herrew-eghe: Purcell (Tue). Malcolm

Amsterdam

Stadsschouwburg. The Hoofdstad Operetta Company in Karl Mil-locker's Gasparone, directed by Hans Fretzer. (Mon). (24 23 11).

Deutsche Oper. As a contribution to the European cultural year, Berlin is staging a guest perfor-mance of Alexander Borodin's Furst Igor, sung in Russian, by the Sofia Opera. Lulu is revived with a new cast led by Patricia Wise in the title role, Emily Golden and David Griffith. Dmi-

Bilson, fortepiano: Mozart (Wed). The Consort of Musicke, with Marion Verbruggen, (recorder): works by 17th-century Dutch and English composers (Thur).

Frankfurt

Alte Oper, Frankfurt Feste: Man and Nature. This year's Frank-furt Festival, on until the end of September, examines the lost unity between man and nature. The 200th anniversary of the birth of Josef von Eichendorff and of transcrient works have and of important works by Goethe and Holderlin, provides a central theme to this combination of music and literature. Another highlight will be a wide ranging presentation of Stock-hausen's music, to celebrate the German composer's 60th birth-day. There will also be piano, chamber music and lieder recitals with Hermann Prey and Die-trich-Fischer Dieskau. The pro-gramme features the New York Philharmonic Orchestra, con-

tri Shostakovich's opera Lady Macbeth von Mizznik rounds off the week. Hamburg

Staatsoper. The opera house begins the season, under its new directors Gerd Albrecht and Dator Paidle with and Peter Rzicks, with a concert ver-sion of Therese by Massenet. sion of Therese by Massenet.
The cast stars Agnes Balsa,
George Fortune, Richard Leech,
Urban Malmberg, Peter Haage,
conducted by Gerd Albrecht.
Die Zauberflöte has fine interpretations by Hellen Kwon, Gabriele
Fontana and Harald Stamm. Die
werkaufte Braut is a well done verkaufte Braut is a well done

ducted by Zubin Metha; the Australian Youth Orchestra; the European Community Youth Orchestra and the Gustav Mahler Orchestra, both conducted by Claudio Abbado; and Frankfurt's Radio Symphony and Opera Orchestras.

Bavinia Festival. Kronos Quar-tet: Volans, Penderecki, Horvitz, Feldman, Carter, Crumb (Tue), Tokyo String Quartet: All-Brahms programme (Thur). (728

New Vivaldi String Ensemble, with Yoshimura Namae (koto). Bartok, Vivaldi and modern Jap-anese works. Casals Hall (Tues). (291 2525) Yomiuri Nippon Symphony Orchestra, conducted by Masa-hiko Enkojih, with Hae-jung Kim (piano). Tchaikovsky, Mussorg-sky/Ravel. Suntory Hall (Wed). (270 6191).

New York

New York City Opera (State The-ater, Lincoln Center). The week features Victor Herbert's Haughity Marietta in a new pro-duction by Theodore Pappas with sets by Oliver Smith. (496 0600).

Tokyo

Nabucco, performed by Teatro alla Scala, Milan: conducted by Riccardo Muti, directed by Franco Zeffirelli and with Renato Bruson in the title role, NHK Hall (Thur). (725 8888).

# Falstaff

The annual Glyndebourne Opera visit to the Proms is a dependable delight, not least dependable delight, not least because they contrive their "semi-staged" Prom performances so well. For Verdi's Falstaff on Saturday it was David Edwards' job to adapt the original Peter Hall production: reckoning from the outset, perhaps, that a full-dress shivaree for Windsor Forest was out of the question, he left the cast mostly in mufti. the cast mostly in mufti-throughout and dressed the platform only with a couple of

pub tables and chairs. A clump of the latter did duty for Herne's Oak. The ruse would be inadvisable for, say, the World-Ash-Tree in which Siegmund's sword snuggles; but here it served nicely, and we did get a real laundry-bas-ket in Act 2 for Falstaff's

Toad-like escape.

The vital point was that the company had just completed a company has just completed a run of sixteen performances, albeit in the minuscule Glynde-bourne box compared to the monstrous toffee-tin of the Albert Hall. Nobody else's con-cert-versions of operas can trade upon so much immediate

trade upon so much immediate theatrical practice and this one was richly seasoned. Claudio Desderi's comic hero expanded shamelessly and irre-sistibly (and vocally, too) as he warmed to the new venue: a sort of Bob Hoskins Falstaff, forceful bluster with a danger ous edge - but decked out

with the gestural repertoire of a Roman traffic policeman.

Among the whole excellent team, Felicity Palmer's ripe Mistress Quickly and Federico Davià's languidly pretentious Pistol made especially vivid marks, and Robert McFarland's full, attractive baritone carried his Ford well into the hall.

As the young lovers Fenton and Nannetta, Gianluca Sor-rentino and Eva Lind were per-sonable and musical, though his pitch occasionally disagreed with the orchestra's – and her slightly breathy Viennese soprano is not as crystalline as Nannetta's cut-glasslines ideally deserve.

Nancy Gustafson's Alice was the sole newcomer to the cast, but that could not have been guessed from her elegant phrasing and witty interplay.

Conducted by Bernard Haitink, the London Philharmonic achieved tingling precision and brio, emphasising not only Verdi's Rossinian model but the crisp formal shape of Bosto's brilliantly economical libretto. What we Prommers enjoyed were a vital and sophic. enjoyed was a vital and sophis-ticated Falstaff, not just a broadly "popular" version, though it scored on that count too: as inspired opera buffa, as another Glyndebourne success

and as a terrific Prom. David Murray

## FINANCIAL TIMES In the wake of last year's stock market crash, the computerised trading strategies lumped

BRACKEN HOUSE, CANNON STREET, LONDON EC4 P4BY Telegrama: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

Tuesday August 30 1988

# **Politics** and security

THE IRISH Republican Army and its political wing, Sinn Fein, have a phrase about relying on the bullet and the ballot box at the same time. It amounts to a policy which might be usefully, if metaphorically, taken up by the British Government.

The trouble with the British approach to Northern Ireland over the last 20 years or so is that sometimes it seems to be about security and sometimes about politics. Very rarely have the two been shown to go hand in hand. The past few weeks have provided a supreme example. Security is uppermost and politics scarcely gets a look-in.

This has happened at a time when the IRA is enjoying a temporary sequential advantage.

temporary security advantage. It has new weapons and the ability to use them, and it is going through a lucky streak where it hits more of its chosen targets rather than blowing up its own people. It has also shown that it can still outwit British intelligence. Possibly British security had become somewhat lax in the previous months.

It is therefore appropriate that Britain should be conducting a security review at the highest level, even if the net result turns out to be little more than that the security forces should be ever more vigilant. Yet the fact that security has turned out to be para-mount in August should not mean that longer-term political aims can be overlooked. The present British concentration on security matters raises the possibility that the Government is again sheltering behind an old myth: first reduce the violence and the politics can come later.

#### Killings continue

The truth is that the violence never comes down to an acceptable level: even in 1985, the best year since 1970, there were 53 deaths against 467 in 1972. Since 1985 the figures have been going up again. It is also true that one British political initiative in Northern Ireland after another has been allowed to peter out while the killings continue.

The latest of those initiatives was the Anglo-Irish Agreement signed at Hillsborough in November 1985. That agreement broke new ground in acknowledging that Britain and the Republic of Ireland

zon; nor did it rule out the devolution of powers from Britain to the people of Ulster. It is possible to pick holes in

the agreement, especially in retrospect. The Ulster unionists were not officially consulted, did not like it and have not changed their minds since. It was perhaps rather a per-sonal accord between Mrs Margaret Thatcher and Dr Garret FitzGerald, who is no longer the Irish Prime Minister. Also, while the Irish have certainly done something to enhance cross-border security and, for example, have accepted extra-dition, it is said by both British and Ulster security sources that more could be done.

#### Skin deep

The working of the agreement so far will come up for review in November. The view on both sides seems to be that the review needs to be no more than skin deep and that there is no occasion either for mourning or ceremony. That view is wrong, because if the agreement looks as if it is no longer taken as seriously as it used to be by the British Prime Minister who signed it, what incentive will there be for the unionists to believe that it will not go the way of previous British initiatives?
There is much that could be

ried. Mr Charles Haughey, the Irish Prime Minister, could be encouraged to repeat his offer of direct talks with the unionist leaders and Mrs Thatcher could back him. The devolu-tionary clauses in the agree-ment could be re-emphasised. Mr Haughey could be pressed to do even more about security and as senior officers in the Royal Ulster Constabulary retire, Britain could consider replacing them with Englishmen not weary of the struggle. To do any of that would require Mrs Thatcher and Mr Haughey to overcome personal antipathy and agree to meet more often. Their mutual suspicion sets an appalling exam-ple. It is not the Thatcher-Fitz-

Gerald agreement which is on trial, but the Anglo-Irish Agreement. Without it, Britain would be stuck once again with no political policy for

together under the name of "programme trading" were the target of a wave of hostility from the investing

There were strident calls for it to be limited or banned. There was a sense of helplessness in Congress, the investment community and parts of the securities industry in the face of what was portrayed as computers out of control and greedy institutions rigging the market for profit.

Congressional efforts to respond to the crash have receded as attention has turned to the task of getting re-elected in November. The mood has changed. Programme trading contin-

Wall Street is involved in intense had a common interest in the discussions about how best to meet the needs of the big institutional suppression of violence in the investors, such as pension funds and north and in the political insurance companies, which increasfuture of the province. The ingly dominate the securities maraccord did not suggest that a kets. The debate highlights the issue united Ireland was on the horithat gave rise to programme trading in the first place - the growing desire by institutions to trade huge portfo-lios of stocks in bulk.

Rather than buying and selling individual stocks, more and more institutions want to trade large numbers of different shares simultaneously as one transaction. Behind this desire is the rapidly rising popularity of "indexed" or "passive" port-folios, which seek to replicate as closely as possible a major stock market index such as the Standard & Poor's 500. These funds are much cheaper to run than traditional ways of managing money - they need no expensive research departments but they outperform most of those funds which rely on the judgment of stock analysts to select individual

stocks.
"Everyone is looking for lower cost, lower risk ways to trade . . . It is cost savings that are driving these markets, nothing else," says Mr Louis Margolis, a managing director of Salomon Brothers, the big Wall Street securities trading house. He estimates that the top 200 pension funds have more than \$200bn under passive management.

In some cases, this approach to money management is quite active: institutions move aggressively in and out of stocks, but the equity portfolios they buy and sell so enthusiastically are chosen to match an overall market index, rather than selected indi-

vidually.

The form of programme trading called stock index arbitrage, so

called stock index aroltrage, so reviled since the crash, is a logical consequence of institutions' desire to trade, say, the entire S & P 500.

To hedge itself against an unexpected drop in share prices, an institution placing an order for all the component stocks of the S & P 500 would at the same time sell the appropriate number of S & P 500 futures contracts, traded in one of the nits at contracts, traded in one of the pits at the Chicago Mercantile Exchange. If a gap opens between the current price of these shares and the price of the appropriate futures contract, it is in everyone's interest for arbitrageurs to profit from it by buying the one and selling the other. Arbitrage like this will rapidly close the gap — if it is possible to trade large portfolios of stocks smoothly and efficiently.

Alas, the appropriate market mechanisms are lacking. In the view of most futures experts in Chicago and futures-literate Wall Streeters, it is this lack - rather than greed or uncontrollable computers - which

destabilised the market last October.
The problem is that there is no way for an institution to buy or sell, say, the S & P 500 in its entirety. An order to sell the S & P 500 is entered into the New York Stock Exchange's



# Wall Street wants to deal wholesale

Janet Bush reports on Wall Street's attempt to create new mechanisms for trading shares in bulk

specialists, who trade for their own account, are supposed to ensure smoothly functioning markets in the

stocks they are assigned.)
Once the various specialists have executed each order, the portfolio is then put back together again.
"Most people do not understand that if we have a portfolio for sale and want to find a buyer, we cannot accomplish this trade in New York Stock Exchange hours. They think we can miraculously put buyer and seller together – it doesn't happen. There is no mechanical way to go to the floor to do that transaction," says Mr Mar-

Look, by contrast, at the case of a large trade in an individual stock. Suppose an institution wants to sell 200,000 shares in IBM. If if is traded in one bite, as usually happens, a block trading house would match buyer and seller, the order would be sent to the floor of the exchange, a price found and the deal done. There would probably be little impact on the price of

But imagine the impact if that block trade had to be broken up into 10 lots of 20,000 shares which hit the specialist every 10 minutes.

minutes, the stock price would be far more impacted than if 200,000 shares came into the market and were worked off by accessing the joint ven-ture of the block trading house and the specialist," says Mr Margolis. That example gives some idea of the potential for volatility when an insti-tution wants to sell the whole S & P Superdot electronic system and is then broken up into 500 single orders which hit the specialists on the floor of the stock exchange almost simultaneously. (New York Stock Exchange

The destabilising effect was graphically illustrated on October 19. Mr Margolis says: "The crash clearly demonstrated that there was a problem with the system."

If this argument is correct, the assault on programme trading was misdirected. It concentrated on a symptom of an investment trend, not on the underlying issue. Now, far from banning programme trading, such as stock index arbitrage, the securities industry wants to perfect the trading of portfolios which spawned it. Programme trading will

The assault on programme trading concentrated on a symptom, not on the underlying issue

merely evolve as trading techniques and market mechanisms develop. "What happened on October 19 was that the world found out what the futures market already knew: that institutions need a basket-type prod-uct," says Mr Leo Melamed, chairman of the executive committee of the Chicago Mercantile Exchange, who is acknowledged as the driving force behind the development of financial

"Programme trading is going to be around. The real goal of markets ought to be to allow [such trading] to be utilised so that it doesn't disrupt the market and doesn't cause upheaval," he says.

Professor Merton Miller, one of America's foremost experts on deriva-tive products and Professor of

Finance at the University of Chicago, believes New York and the wider investment community must accept that futures are an integral part of trading securities and that technological developments are inevitable.

The crash, if anything, whetted the appetite for hedging tools such as futures and options and these are being developed at a rapid pace in overseas markets. Mr Melamed believes that the main threat to the health of US financial markets is competition from exchanges abroad.

In the last few months, there has been a rash of new futures and options contracts and there will be many more. The Merc wants to introduce a futures contract based on the Nikkei 225 index of Japanese stocks and a contract which would represent a global basket of shares

But the most thorny challenge is to work out the details of of how to trade portfolios of shares. It is too early for any proposals, but discussions are

widespread.

The New York Stock Exchange and the Securities and Exchange Commission are both looking into the possi-bility of setting up a specialist on the floor of the exchange purely to make in portfolios.

If such a system were to be set up for portfolio trading, says Professor Miller, "the specialist would have to be pretty big because they (the institutions) are going to be coming down on him in pretty large chunks and with fairly sizeable force."

Mr John Phelan, chairman of the NYSE, expresses discomfort about the huge trades made by institutions and their dominance of the equity market.

Nevertheless, he concedes that the exchange must move with the wishes of its clients.

of its clients.

A number of exchanges across the country, including the Philadelphia Stock Exchange and the American Stock Exchange in New York, are Stock Exchange in New York, are developing products which would allow investors to trade baskets of

shares.

The large block trading houses, such as Salomon Brothers, want rule changes which would allow them to match buyers and sellers of standard portfolios – such as the S & P 500 – and non-standard ones. In other words, they want portfolio trading to become the block trading of the future.

The concept raises many questions. Prominent among these is how price changes in a portfolio can be translated into price movements in the individual stocks making up that portfolio.

Everyone agrees that there would have to be a system which would arbitrage away price discrepancies but nobody quite knows how it would

work.

Mr Melamed envisages some kind of certificate representing a holding in a portfolio and giving the holder the right to buy the individual stocks at some stage. On the face of it, this system looks clumsy and the details have to be thrashed out.

A more far-reaching question is whether the specialist should be cut

whether the specialist should be cut out altogether, a question which has exercised Wall Street for many years.

exercised Wall Street for many years.
Both the Chicago school and the block trading houses on Wall Street tend to support a continuing role for the specialist system.

The block trading houses are backed by substantial capital. Their large number of clients enables them to match buyers and sellers for big orders. But the involvement of the specialist on the floor of the exchange means that information about traders is more widely disseminated and makes pricing more accurate.

Persistent loyalty to the specialist system reflects a reluctance to take securities trading off a physical trading floor — as happened when London

ing floor — as happened when London's markets were deregulated in the Big Bang of October 1986. Advocates of the block trading specialist argue that this would be a more sophisti-cated approach than London's emerg-ing system of ad hoc auctions of port-

In London, an institution wishing to sell a portfolio gives skimpy details of the type of shares involved and asks for bids from investment banks. The successful bidder acts as a principal, taking the whole portfolio on its own books and then selling it off to other clients. The possible New York/ Chicago systems involve a continuous, much more institutionalised, two-way market in portfolios.

The logical conclusion of New York

thinking on portfolio trading is, none the less, that a further large chunk of institutional stock trading and stock exchange volume would move off the floor of the exchange and take place in dealing rooms on block trading

The specialist would be left to deal in smaller orders (including those of individual investors) and rubber stamp institutional block and portfolio trades sent to the floor from the brokers' dealing rooms.
Underlying this debate lies the realisation, since the crash, of the incom-

patibility of traditional, small-scale trading by individual investors and highly automated bulk trading by institutions. The discussions within the industry reflect a perceived need to separate the two.
Professor Miller says: "The smaller

investor and institutions used to be able to live together, but now that has changed. But I don't wish for an ear-lier era. Instead of worrying about it, why don't we ask ourselves how we can accommodate these different interests and trades and keep them from killing each other?"

• •

7:

1111

...

20:45

les:

124, 4

- -- -

. . . .

## The missing US agenda

officially starts next week, but the phoney war has been unin-spiring. Only two issues, Senator Dan Quayle's enlistment in the National Guard and the alleged lack of patriotism shown 10 years ago by Gover-nor Michael Dukakis, have attracted any real attention. On the central issue, as it must seem to most of America's trading partners, that of the management of a debt-ridden

economy, we have until now heard only vague slogans. The slogans do reflect some reality. When the Vice-President asks for a further mandate to protect prosperity, he can point to some encouraging figures. The US is not only enjoying its longest peacetime expansion, but is moving towards balance. So far, though, it is a modest start.

When the governor campaigns for good jobs at good wages, he is addressing the surprisingly large proportion of the US population which has had no benefit yet from the expansion. Real wages have hardly moved in the Reagan era and the cuts in support for higher education and medical care have hurt. There is no feeling of crisis, though, in the rhetoric of either side.

#### Deficit reduction

It is not only the politicians who look rather complacent; they have a lot of expert support. Everyone agrees that a smaller fiscal deficit would be helpful and advisers on both sides are racking their brains for better incentives for private saving. All the same, the con-sensus is that the path of defi-cit reduction laid down in the Gramm-Rudman Act is about as much as the US or the world economy can stand. To try anything more would be to risk recession at a time when it is widely expected in any case, if only on the law of averages.

This is all a long way from the unease which was setting in a year ago. The stock market had just passed its peak and an untried chairman had just taken over at the Federal worsening and within weeks the dreadful August figures triggered the market crash. Is a record of a mere 10

months of growth led by exports and investment, and of remarkably successful mone-tary management, enough to justify a bipartisan approach of steady as we go? In some ways it is. The fiscal deficit is only creeping down at the moment, but the growth of a huge sur-plus in the social security fund should make the Gramm-Rudman path achievable. Personal saving has risen by about one per cent from last year, con-sumer demand, except for durables, remains soft, and there are demographic reasons

activity, which was producing weak balance sheets and a flood of borrowed money for investors, has declined sharply.

#### Shock effects

overheating in the labour mar-ket, but this is so far mainly in the low-paid service sector. As long as Mr Alan Greenspan can get shock effects with occasional half-point increases in interest rates, there seems lit-tle reason for what the Senate Banking Committee, in its report on monetary policy last week, called "inflation hysteria." Inflation is widely expec-ted to rise to between 5.5 per cent and 6 per cent during 1989, but to peak there, assuming that the dollar remains stable and the climate returns to

are much more long-term: bad education, ageing industrial plant (in spite of the investment recovery), confronta-tional labour relations, unimpressive (though improved) productivity growth and poor quality. Britain knows how obstinate these problems are. The voters seem aware of the trouble. The candidate who can convince them he has

#### The Last **Temptation**

■ To the public eye, storms come suddenly in the movie world. But behind the scenes they can take a long time brewing. Our film critic Nigel Andrews recalls that four years ago in New York he ran into Martin Scorsese, director of The Last Temptation Of Christ. Though Scorsese was then editing After Hours, the main topic of conversation was already "that movie." Scorsese had just rebounded from his latest failure to raise

to hope for further improve-ment for some years.

The corporate sector, too, has changed its ways. Since the crash, takeover and buyout money for his long-cherished film of Nikos Kazantzakis's novel about the human and carnal sides of Jesus Christ. For once, as a Hollywood film-maker spoke, the air was alive with the sound of wisdom

with the sound of wisdom
before the event.

"I've tried to put the film
through the Hollywood system," said Scorsese, "which
it should never go through.
It's not that Hollywood is had,
but if you're making a picture
which may — may — upset
a lot of people, you don't go
to a company like Paramount,
which is owned by Gulf and
Western, or like Columbia,
which is owned by Coca-Cola, There are now clear signs of which is owned by Coca-Cola. These are major, major con-giomerates, and why should they pit their heads in a noose? Can you imagine somebody picketing a theatre and then picketing everything else Gulf and Western does? Oil everything - it could get very

heavy.
"So ideally you make the film independently, and people something near normality.

The real economic worries come and judge it for itself. The Last Temptation isn't meant to be a film by bad little boys who are making Jesus say this and Mary Magdalene do that. It's trying to come to grips with human nature. Because he was a man, Jesus Christ was a man. And if he was a man, he may have had the same problems and temptations that we have. And the answers may be the winner. I film asks: Is there a difference

## **OBSERVER**

between the spirit and the flesh? Or are they the same thing? That's what the film is about.

"I think it could say so much, religiously, to people, and make them feel so good about Jesus, and make them understand what he is saying. And to identify with — and actually feel — the pain and conflict he's going through. Because we on through the Because we go through the same thing. That's the reason for making the film. And maybe one day we'll be able to do it. But not with backing

from Hollywood." And lo, one day they were able to do it. Scorsese was right about the furore that would greet the film, but he was dead wrong about Hollywood. A major studio did back the film - Universal - which shows that miracles can still

#### The next

■ Soviet glasnost has not yet discovered feminism, but it soon may, for it has discovered beauty queens. Under way now in 168 cities across the country are the first heats to find "the most beautiful girl in the USSR." Announcing the contest last week, Mr Vyacheslav Tik-

honov, a popular actor and chairman of the contest's organising committee, said that "one of the main tasks of the coming contest is to find stars." Already, 16-year old Masha Kalinina, Miss Moscow (chosen last month), has been promised that she can be big in films.

The girls must be between 16 and 25, unmarried and with no children: the organisers say that "apart from being beautiful, the winner should also be charming, witty and sociable." This should screen out every ticket collector, stew-



ardess, shop assistant and female bureaucrat with whom our man in Moscow has had

There is a final affront for western feminists: the finals will be held on March 8 next year: International Women's Day, as the organisers proudly announced.

#### The ultimate

■ While Iran and Iraq debate issues of war and peace and sovereignty over the Shatt al-Arab waterway at Geneva's monolithic Palais des Nations logistical difficulties have arisen over an altogether

smaller duct.
It seems that there is only one loo in close proximity to the negotiating hall, and that United Nations officials are having the devil's own job try-ing to prevent simultaneous visits to it by members of the

rival delegations. Even worse is the apparent tendency of both delegations not to let go of the chamber once it has been secured. On more than one occasion, one

of the warring parties has been in occupation for an inordi-nately long time, leaving the other to withdraw ignominiously or hop from one foot to the other. The UN is not unfamiliar

with problems of this kind. Competition over use of the facilities also arose during the drawn-out proximity talks on Afghanistan at the Palais, causing intervention by protocol officials anxious to pre-empt an unseemly punch-up between Pakistanis and Afghans in front of the loo.

Fortunately, however, the Mr Javier Perez de Cuellar, the Secretary General, does have an in-house solution. If things get worse, he can always call on assistance from the UN Relief and Works

#### The highest

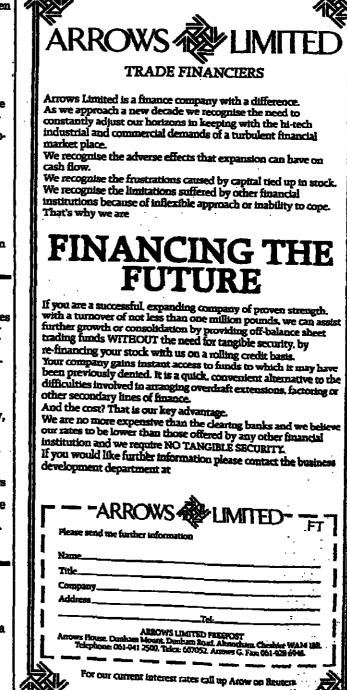
■ While some weary executives may avail themselves of "pas-sion breaks" in York, 16 managers at Apple Computer are now in the process of simulat-ing a "typical week at the office" by climbing Mont Blanc.

Mr Keith Phillips, the man-aging director of the company, said the aim was not just to get to the top. The £82,000 climb would help break down barriers to communication, build bonds between team players and help the managers feel positive and healthier about life, he said. Just in case they don't, they are taking with them a trained psychologist and Chris Bonnington, the mountaineer.

#### The lowest

My favourite Quaylism of the week is a sign at Columbia Regional Airport in Missouri: "It isn't the skeleton in the closet, it's the brain in the head."

Jurek Martin



state agents were enti-tied to feel edgy on the bank holiday weekend. The rise in base rates to 12 per cent on Thursday was a clear signal that the Government has put cooling the frenzied housing market high on its list of priorities.

The nervous atmosphere was The nervous atmosphere was intensified by the tabloid newspapers on Friday – the morning after the release of trade figures showing an unprecedented £2.15bn current account deficit in July and the sudden I percentage point rise in inter-

"Ouch! Misery as home loans soar," exclaimed the Daily Mir-ror. The Sun speculated that mortgage rates would go even higher: "13 per cent young lov-ers home loans blow," it declared.

The first signs on Saturday were that it would take some time for the effect to be felt. In Cardiff, one estate agent reported about 50 visitors by lunchtime — good, even for a Saturday. But actual sales had been quiet since the begining

"There are a lot of people just looking at the moment.

Just looking at the moment. With the interest rate rise they want to know what is going to happen to prices before that make a decision," he said.

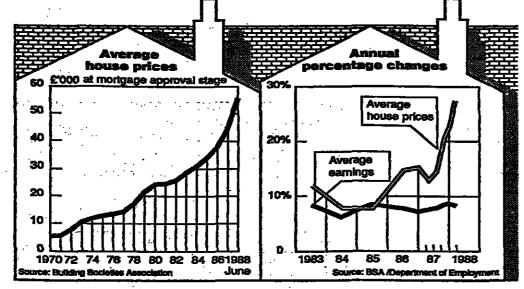
In Newcastle-upon-Tyne, Black Horse Agencies Storey Sons and Parker had had about 30 visitors by 1pm — as hectic as any recent Saturday. "Nothing seems to have affected the ing seems to have affected the market so far," said Mrs Bar-bara Clark, sales negotiator.

It is naïve, however, to expect an immediate reaction from the rates rise. Perverse reactions are likely, and time lags are inevitable given the exceptional momentum of recent price rises. In the 12 months to June, Halifax Building Society figures showed that prices in the UK had risen by 22 per cent. Increases ranged from 5 per cent in Northern Ireland to 48 per cent in East

On textbook economics grounds at least the base rate rise, and the mortgage rate increase that is set to follow, should have a discernible effect on prices. Interest rates determine the cost of home ownership and the size of new mortgages. A one percentage point rise in interest rates means that a typical £30,000 mortgage costs £15 more a month.

But it is not the only influence. Pushing house prices upwards are earnings, the increasing number of households and the easy availability

of mortgages.
The first of these, the effect of earnings, is particularly sensitive. If the buying power of would-be homeowners is based on, say, three times their earnings, the impact of a pay rise is tripled. However, with the



# Taking the fizz out of house prices

Ralph Atkins assesses the impact of the rise in interest rates on the UK's fevered housing market

ratio of house prices to earnings near an all time high, a slowdown in incomes growth could restrain price increases.

Looking ahead into 1989,
earnings will continue to rise

albeit at a slower pace than the current underlying 8% per cent a year. Wage settlements will be based largely on this year's exceptional company profitability. Yet overtime and employment growth may be tempered as economic growth

The second factor - demographic trends - will continue to increase the number of households in the 1990s. A recent Bank of England discussion paper estimated that the number of households in Great Britain could rise by more than 3m, to 24m in 2001. This rise would be reduced if

slower real incomes growth were to discourage families from breaking into smaller units and children were to stay with their parents longer. But home ownership is increas-ingly being perceived among the young as a necessary part of growing up. This trend is exaggerated by the decline of council housing and the con-tinuing malaise of the private Tax changes announced in the budget, which limited mortgage relief to £30,000 per property regardless of the number of borrowers, accelerated demand for houses in the early summer by groups of individuals chubbing together. This can properly be regarded

as an extatic influence.

The third factor pushing prices upwards is the 1990s revolution in housing finance. No longer does restricted lending by building societies hold prices in check. Now the size of mortgage lending is deter-mined more by what borrowers can prudently afford.

Between mid-1986 and mid-1988 outstanding mortgages for house purchase from building societies increased by about 50 per cent to some £150bn. The banks' contribution doubled in the same period to more than £40bn. That growth is more likely to be built upon than

Other factors have also to be taken into account. On the supply side, frantic house building by construction companies may prove to have been overdone. With overstretched firsttime buyers particularly hit by mortgage rate rises, prices of starter homes may fall — with

ripples reaching others further up the chain.

There are good reasons to believe house prices in 1988 are more sensitive to interest rates than in the 1970s. Mortgage lending is no longer determined by supply but by demand — and therefore cost. Similarly, households are willing to take out higher mortes, leading to a proportiongages, leading to a proportion-ately greater burden when

rates go up.
Overall, underlying factors affecting house prices seem likely to follow the pattern of economic growth. The consensus among economic forecasters is that the UK economy will grow strongly in the sec-ond half of this year and in 1989, although at a slower pace than in the last 12 months. But the effect of the mortgage rate rise on house prices,

when it does come, could be determined as much as anything by expectations - whether fuelled by estate agents, newspapers or bar-stool debate. If the rise shocks the market into thinking prices could stagnate, expectations could become self-fulfilling as buyers and sellers expect less. And even a little doubt could

FOREIGN AFFAIRS

hat I wanted was to

go to graduate school, to get married and to enjoy those bright prospects I had been taught life owed me." The words are not those of Senator Dan Quayle of Indians though they could

Indiana, though they could have come from his mouth.

have come from his mouth. They were written nearly 13 years ago by a man with whom Mr Quayle probably has nothing in common politically. James Fallows, the writer and former composer of speeches for President Jimmy Carter.

There are other passages in Mr Fallows's memorably honest article, "What Did You Do In The Class War, Daddy?" published in the Washington Monthly in October, 1975, which ought to be read today for a sense of perspective on the controversy surrounding the Republican vice presidential candidate.

None better describes the thinking of many young Americans at the height of the Vietnam war than this one: "The 'we' that I refer to are the mainly white, mainly well-educated children of mainly comfortable parents, who are now mainly embarked on promising careers in law, medicine, business, academics. What makes them a class is that they all avoided the draft by taking one of the thinking-man's routes to

of the thinking-man's routes to escape. These included physi-cal deferment, by far the

smartest and least painful of

all (and the author's own cho-

sen tactic); the long technical

appeals through the legal jungles of the Selective Service

System; the more disingenuous

resorts to conscientious objec-

tor status; and, one degree fur-ther down the scale of personal

inconvenience, joining the Reserves or the National

Guard. I am not talking about

those who, on the one hand, submitted to the draft and took

their chances in the trenches,

nor, on the other hand, those who paid the price of formal

Mr Fallows also did a back-of-the-envelope calculation

showing that the military

"bite" on his class at Harvard at the peak of the war amounted to a lot less than 10

per cent, of whom more than half were in any case obliged through possession of mili-tary-sponsored scholarships to

the university. He contrasts this with the lot of the other

humbler citizens of Boston,

cases, were killed, injured, or

draft resistance or exile."

None better describes the

the Republican

## **Candidates** too true to be good

Jurek Martin asks whether a pure record is a necessary qualification for high office

otherwise scarred. His analysis cannot be dismissed as simply the lamenta-tions of a liberal conscience. Five years ago, Mr Christopher Buckley, author, former speechwriter for George Bush, and son of William F., the con-servative polemecist, published an article, "Viet Guilt" which included the passage: "By not putting on uniforms, we for-feited what might have been the ultimate opportunity, in increasingly self-obsessed times, of making the ultimate commitment to something greater than ourselves; the sur-

Mr Quayle is not exactly in the intellectual or reflective leagues inhabited, differently, by Fallows and Buckley. In fact, it is reasonable to conclude from the painful evidence of two weeks on the ticket that Mr Quayle is a turkey. Whether he will be served up on the Democratic Party's Thanksgiving table late in November is hard to say, but the words that have come out of his mouth seem the worst kind of gobbledegook. His selection surely reflects adversely on Mr Bush's judgment. If Mr Quayle is going to be a heartbeat away from the presidency, then it may be sked who is to be the next Republican Secretary of State

- Clint Eastwood, perhaps.

It is also legitimate, on the part of the press, to contrast Mr Quayle's enlistment in the National Guard with the overt patriotism that has been the leitmotiv of his political career and to see how it goes down among those to whom "the thinking man's route" was not available. But it is unfortunate that this is already colouring the campaign so much. There are enough serious problems confronting America for the battle not to become bogged down in totally spurious patriotic issues, such as Mr Bush's present pitch to make the Pledge of Allegiance manda-

But, having said all that, there is something deeply trou-bling in the fact that Mr Quayle was first found want-ing not for what he stands for today but for an act taken. along with many others with his advantages, nearly 20 years ago; after all, he was not, on all available evidence, thinking of running for high national

It is obviously right that an electorate should know as much as possible about candidates put before it, and, in the mass media age, that means more now than ever before. But standards change surpris-ingly fast, and surely some understanding is desirable.

If, for example, the standards of sexual behaviour now apparently expected of American politicians were applied retro-spectively to John Kennedy, he would never have become President; nor, knowing now what was not known then, would FDR or even George Washing-ton and Thomas Jefferson. Richard Nixon, who did end up by disgracing the presidency, would have passed muster. His character flaws were of a less easily identifiable order.

It is not just an American problem. Cecil Parkinson and Jeremy Thorpe have seen British political careers derailed, the latter terminally, by the sort of extra-political activities engaged in with relative impunity by the likes of Lloyd George and even Hugh Gait-skell. We can say that Mr Partable but it is a tougher judgment to deduce from this that he is totally unqualified ever to become Prime Minister. Of course America is different. Its political system is more fluid in the opportunities it gives for fast advancement. Its press, albeit mostly non-ideological, is now more aggressive and intrusive. Its good, in uncovering the bad, of which transpare is a classic recent trangate is a classic recent example, still far outweighs its defects. But perhaps - though only perhaps - it should sometimes temper its instinct for the hunt with an awareness that times do change.

Mr Quayle is, after all, in no way unique, nor is Vietnam the only cross his generation has to bear. For it is from his age group that the nation's next leaders are emerging. Many of them went to the country's great universities in the 1960s and early 1970s, when, as Christopher Buckley correctly noted the self-cheer. correctly noted, the self-obsession that has marked the 1980s was much less evident. It was not just involvement in the great causes – free speech, the civil rights movement and opposition to the war – that made that period so distinctive. There was, simultaneously, much experimentation with new lifestyles, notably in drugs and sex, long before AIDS and hard narcotics were identified as the threats they are known to be today.

It would be very hard for a Berkeley or Harvard man or woman now interested in public office to cross their hearts and swear that they had never smoked dope and only ever slept with their spouse. This is not hypothetical Last year one of President Reagan's Supreme Court nominees, Douglas Gins-



burg, was ultimately undone for the "crime" of having smoked marijuana at a Har vard party. Admittedly, he was on the faculty at the time and perhaps should have known better. But it is hard to argue that this was relevant in assessing his judicial mind and qualifications. Hugo Black, the great liberal Justice, was once a member of the Ku Klux Klan, not that uncommon in the Ala bama of his youth.

If a necessary qualification for high, or low, office is a per-sonal history that is squeaky clean according to the stan-dards of the moment, then candidates of real talent will not present themselves. US Presidents, above all, should not be perfect, because they operate in too flawed a world. One day, one will be a woman, a Jew, a black or a Hispanic - and one day one may once have burned

## **LETTERS**

## Obstacles other than VAT

From Mr Stewart Vaughan.
Sir, David Buchan's article
on tax harmony (August 22)
gives further evidence that the
European Commission is wasting too much effort on attempts at obligatory VAT harmonisation, to the neglect of other, far more destablising

obstacles to free, fair, inter-Eu-ropean Community trade. The UK government is right in stating that market forces will achieve the desired level of harmonisation. We have only to look at the table accompany-ing the article, which indicates that the same bottle of wine should cost three times as much in England as in France. Compare supermarket shelves in London and Paris: there is nothing like this difference. be more expensive in France than in England.) Furthermore, the nature of

VAT (though not excise duty) is such that the recipient country of the tax is the country in which value is added, so the difference in VAT rates between two countries is only applicable to the wholesale price of the product; the Com-mission's proposal to end "export zero rating" within the EC is perfectly valid. Every country within the EC would remain entitled to fix its own VAT rates and decide at what level it wished to tax value added within its borders. The tax on the value added at the retail end would be the same in the country of sale, whatever

deserve much more scrutiny are payroll taxes and property These can render fair compe-

tition between companies in different members states impossible. Harmonising VATs, of which the standard rates all fall within a band of rates all fall within a band of 10 per cent, is futile when you consider that a French employer has to contend with payroli taxes of about 45 per cent (on salary band FFro-10,110 a month — £215 a week) and still hope to compete with his UK neighbours.

Stewart Vaughan, 95 Anguse de in Republique. 95 Avenue de la Republique, 75011 Paris, France

the country of origin.
The fiscal differences

between member states which

From Mr David Redfearn Sir, No Association of Dis-trict Councils, no Ombudsman, trict Councils, no Ombussian, and no public enquiry on earth will serve to reverse the present trend described so graphically by John Hunt ("A built-up and unpleasant land," August 24). Wealthy commuters and retired people will coners and retired people will con-tinue to replace our traditional village populations unless radical land reform is first under-

taken. These are the facts of the

case.
The type of farm that produces the best results per unit of area is the old-fashioned farm - small, mixed, labour-intensive - following a natu-ral fertility cycle.

On the other hand, the mod-

Sir, Andrew Campbell writes from the Ashridge Strategic Management Centre (August

pliers.

This is an opinion paraded as fact. It is nonsensical to equate the interests of the owners of a business — the shareholders — with, for example, the suppliers. The nature of their respective interests in a business is manifestly different, it is obviously detrimental to a business if it ignores the requirements of its customers.

pensed with.

The latter system is, of course, to the immediate personal advantage of the class of land-monopolists created long ago by the enclosures, but even then only when their powerful lobbying secures them very large subsidies.

Therefore what is needed for

Therefore what is needed for the restoration of "England's green and pleasant land" is a measure which will discourage the holding of land in quanti-ties beyond those which can be properly managed to get the

How to restore the traditional village ern farm — large, mono-cul-ture, dependent on artificial fertilisers and machinery best results per unit of area; in other words, a return to the small mixed farm. Such a meaproduces the best results per unit of labour employed, which is quite a different matter because labour is largely dis-

sure would be a tax based solely on the potential value of the land - as it was applied 100 years ago to the parched and depopulated cattle ranges of California.

of California.

The California/Wright Act of 1888 established 200 Irrigation Districts so financed. Despite bitter resistance by the cattle kings, this created an area of 4m acres in which the family farm of 30 acres is the norm. All this is no secret; but where is the British government to be found that will grasp the nettle?

David Redfearn

15 Fennell's Close Eastbourne, East Sussex

Some weapons are more offensive than others

Sir, On the defensive of offensive nature of weapons, Mr Grahame Leman (Letters, August 24) should recognise that there are two points that

 As he says, any weapon can be made to help an offen-sive operation in some degree.
 (For example a minefield, which cannot move and serves) locally only for defence, will release forces for an attack at another part of the front.)

 But there are some weap-ons which, if removed from both sides, will reduce the abil-ity to attack (for example, tanks in the Second World War or now) or the ability to defend (for example, machine guns in the First World War).

In short, all weapons are offensive but some are more offensive than others. That is why it is worth dis-

cussing with the Soviet Union how to remove the most offensive weapons, and modify the doctrine, deployment, training and logistics of their forces and ours in the direction of defensi

Simply to equalise or reduce the size of the forces will not produce security so long as the forces are designed to take the R.R. Nefid

## Debate on defining a company's objectives goes on and on

From Mr Philip G. Turner.

24) to inform us that companies have "at least" four "stak-cholders": shareholders. employees, customers and sup-

or suppliers, but it is hard to From Mr L.G. Hunt. see how a business could survive by optimising these groups' interests.

The debate about shareholders' and employees' respective "stakes" will go on and on. Rather than indulge in academic ruminations, the practical manager is faced with the task of making sure, for the future success of the business, that the interests of all the that the interests of all the employees and shareholders are identical. The wider the spread of ownership of shares by employees, the better. Philip Turner,

93 Larkhall Rise Clapham Old Town, SW4

Sir, In his outline of the stak-Sir, in his outline of the stak-eholder theory of objectives, Andrew Campbell (Letters, August 24) is less than fair in dismissing Martin Taylor's contention (Letters, August 1) that "central management's job is to add value for the shareholders."

The alternative classical model still has validity — and adherents. The prime objective of the company is the maximisation of shareholder's wealth, defining this as the discounted value of future cash flows. Cus-tomer satisfaction, both short and long term, and employee development (to name only

two), are vital supporting objectives. But they are *means* of achieving the prime objec-

When teaching financial management courses I considered it vital for students not to forget non-financial objectives. I therefore used a session to elicit from them, and discuss. the two alternative models. But when I asked them which they thought was more appli-cable to UK companies, the great majority chose the finan-cial model. A similar view was expressed in courses for owners of small businesses.

#### There's still no place like it. Call home.

No matter where your business takes you, don't let it take you away from family and friends. Just pick up the phone. And feel the warmth of home. Reach out and touch someone.



Janet Bush on Wall Street

#### **Momentous** events leave bulls cold

THOSE OLD hands in the securities business who have seen many a sparkling bull run and many a grindingly slow bear market had always anticipated that the October crash would be followed by the dog days which are now besetting

the equity market.
Days when only around
120m shares are traded on the Big Board of the New York Stock Exchange are becoming almost normal. In the first four days of last week, daily volume totals were 122.3m, 119.5m, 127.6m and 127.6m Within those totals yet a lot of those totals were quite a lot of dividend capture strategies and a few bouts of programmed

a few bouts of programmed stock index arbitrage.

The worst thing about this desultory activity was that it came in a week when the market had a great deal to think about. In more normal days, trading houses would have trading houses would have jumped in and out of the mar-ket to make a quick turn on the most minor economic indicator, a rumour or an arcane event in overseas markets.

There was nothing subtle or minor about what was going on last week. It is not every on last week. It is not every day that there is a major round on New of co-ordinated interest rate rises. It is not often that the Bundesbank raises its discount rate and Mr Karl Otto Pöhl, the central bank's president, speaks in unadorned, straight and aggressive language about defending the D-Mark. It is not every day that Britain announces a thumping £2.65bn (\$4.48bn) visible trade deficit. And it had become highly unusual for Administration officials to talk down the dollar, as one senior official did last week in the New York

And yet the equity market was unmoved. At the end of May, Mr Bill Jones, a broker for 29 years with Merrill Lynch, eschewed the optimism operators by a federal system of local constants are recognized into the agreement Scheduler 101 November 6.

The Agreement Scheduler 101 November 6.

The New Caledonia agreement for the agreement scheduler 101 November 6.

The New Caledonia agreement provides for one year of direct rule from Paris, followed by a federal system of local control of the control of constantly expressed about the government decentralised into return to the stock market of three provinces. After 10 years, a local referendum would be dicted an extremely gradual

been talking optimistically about a rally buoyed by moun-tains of cash which will burst forth after the "summer sag," but there are a great many reasons to be pessimistic. First, individuals and institu-

tions are still running scared after last year's global crash in stock markets with the first anniversary of Black Monday less than two months away. The recent hike in the US discount rate may have been necsessary, but it nevertheless left a nasty reminder of the events of last year hanging in the air. Second, there has been a clear world move towards higher world interest rates to combat inflation: this is not good for equity markets, wher-

ever they are. Third, related to the last point, bond market yields are looking more and more attractive. Even a robust equity market would find it hard put to argue with long yields near to 9.5 per cent.

Fourth, this is US presiden-tial election year and the furore surrounding Senator Dan Quayle (known in the popular press among other things as Rambo of Sunnybrook Farm) has done nothing to lighten Republican hearts, many beating on Wall Street.
While, as Mr Greg Smith of
Prudential-Bache Securities comments, "signs continue to accumulate that we could be entering a period of military tranquillity on a global basis," uncertainty about who will win the White House in November is underming confi-

A fifth concern, always in the background, is whether Japan can continue to foster stability in the Tokyo stock market. The Bank of Japan has been notable for its absence not only in intervention against the dollar but also for its absolute refusal to counte nance a rise in the Japanese discount rate. Could it be that the Japanese authorities are getting concerned about the health of the equity market where the Nikkei 225 index dropped in four out of five ses-

wnere the Nikkei 225 index dropped in four out of five sessions last week?

Technically, too, the stock market appears to be in bad shape. Economists at Smith Barney say: "About the only positive thing we see in the technical data is the fact that they look so bad."

Volume considerations, they say, leave a lot to be desired. "It's the lack of turnover expansion when the market tries to rally that bothers us. Volume is a weapon of the bull, but he doesn't seem to want to use it."

## Strikes continue as Walesa seeks basis for talks

By Christopher Bobinski in Warsaw

STRIKES continued yesterday in the Polish Baltic cities of Gdansk and Szczecin as behind-the-scenes negotiators representing Mr Lech Walesa, the Solidarity leader, sought to establish the ground rules for talks with the authorities.

In Silesia, meanwhile, only one mine, the Manifest Lipersony, where the present style.

cowy, where the present strike wave started two weeks ago, continued with its protest after workers at two nearby pits called off their action at the

A stoppage at Stalowa Vola, a major engineering works in south-eastern Poland, was also reported as continuing yester-

day.
The efforts to start talks came after a Communist Party central committee meeting at the weekend which upheld last week's offer by the Interior

By Ian Davidson in Paris

Minister, General Czeslaw Kiszczak, for a round-table meeting with representatives of "various social and workers" For the moment, however, it seems that the authorities are

insisting that the strike at the Gdansk shippard ends before they start talks with Mr Walesa, who on Sunday returned to the yard to rejoin the pro-Also to judge from the speakers at the central committee

meeting, the authorities remain opposed to recognising Solidarity and permitting its return to the shop floor, which remains Mr Walesa's central demand.

Official tactics, which are viewed with considerable suspicion by Solidarity activists, continue to consist of holding out the promise of political lib-



Solidarity leader Lech Walesa and union official Adam Kichnik (right) at the Lenin shipyard in Gdansk at the weekend

eralisation, which would include the legalisation of inde-pendent discussion clubs and

political groups.

The authorities also continue to uphold offers to oppotime to upnoid oners to oppo-sition figures to join official structures such as the suggested second chamber in parliament, as well as parlia-mentary seats at next year's elections.

At a meeting of the central committee, numerous speakers criticised the Government's handling of prices and incomes

policy.

They blamed mounting inflation for the present unrest, thus making it possible for the Government to carry out a reshuffle at a forthcoming parliamentary session.

New hope, Page 2

UN chief

seeks help

to secure

By Andrew Gowers

in Geneva

Gulf peace

MR Javier Perez de Cuellar, the United Nations Secretary-General, yesterday, sought the support of leading world powers in his efforts to break-the deadlock in negotia-tions on ending the Iran-Iraq

On the fifth day of direct

talks which have made no progress, he briefed ambassadors from the five permanent members of the UN Security Council – the US, Britain, France, China and the Soviet

Union - on a compromise

aimed at removing obstacles to agreement on a timetable to consolidate the 10-day-old Gulf

The five were expected to press for concessions from

haq, which has refused to dis-cuss a troop withdrawal until it obtains guarantees of free-dom of navigation in the Gulf and the Shatt al-Arab water-

Iraq's insistence on the naviga-tion issue, which is seen by

Iran and by Mr Perez de Cuel-

lar as an indirect way of pre-

empting the question of sover-eighty over the Shatt al-Arab. But negotiations continued yesterday at official level, and neither side was predicting a complete breakdown. Mr Aziz

told a press conference that he was prepared for a protracted stay in Geneva.

Mr Aziz said the talks were

"still at square one" and blamed fran for the deadlock.

He said agreement on detailed arrangements for a ceasefire at sea was essential before other

issues could be discussed. In particular, he is demanding that Iran drop its insistence on

the right to search Iraqi shipping, and early clearance of the disputed and blocked Shatt al-

Mr Aziz claimed that this was not an attempt to prejudge

sovereignty over the waterway. But he reiterated that Iraq

regards a 1975 agreement pro-viding for shared control as

To circumvent this contro-

versy, Mr Perez de Cuellar is expected to propose a trade-off

expected to propose a trade-off between Iran's agreement to stop searching Iraqi shipping in the Gulf and Iraq's agreement to withdraw its troops from the remaining pockets of Iranian territory they hold. His problem, according to informed observers, is that Iraq believes itself to be in a strong position to press for maximum concessions from

maximum concessions from the Iranian side. There are also

fears at the UN that the Security Council, which threw its full weight behind efforts to secure a ceasefire, does not have the same sense of

urgency about the attempt to follow this up with a comprehensive settlement.

Arab.

null and void.

#### Rocard visit **European protests** raises hopes grow over US **Caledonia**

By Steven Butter in London and Lionel Barber in Washington

FRENCH Prime Minister THE BRITISH Government has Michel Rocard returned from a successful three-day campaign-ing tour in New Caledonia yesterday, amid growing signs that his own position has been strengthened by the agreement on the French Pacific territory, and that the Government has every chance of winning the The warning, contained in a French national referendum on the agreement scheduled for November 6.

re-entry, perhaps over years rather than months and noted that "investors burned in the 1970s didn't come back until the 1980s."

Many of the investment newsletters which pour out of Wall Street every week have been talking optimistically on the fence, reluctant to su port the Rocard Government's policy, which directly contra-dicts the objectives they pursued in government until barely four months ago, but wary of condemning an agree-ment which seems to have

brought peace. The opposition parties may also have been waiting for a lead from public opinion, but if so they must have been disappointed. Fifty-two per cent of the French population favours independence for New Cale-donia, according to an IPSOS poll published yesterday in the

officially, Mr Rocard is not advocating independence for New Caledonia, and in any case the question is being postponed for 10 years; but the hope for the poll is a reasonable turnout with a majority of Yes votes. The Government's main anxiety has been not that it would be defeated in the referendum, but that the durability of the new regime would be jeopardised by a low turn-out.

The Government's target is known to be a minimum of 50 per cent. The most recent French referendum, in 1972, on the admission of Britain, Ireland and Denmark to the European Community, was won by the Government, but with a damagingly high abstention rate of 40 per cent. The IPSOS opinion poll suggests a better outcome for the

New Caledonia vote.

Although the proposed new regime for New Caledonia has disappointed extremists among the Melanesian community. who protested at the 10-year delay for the referendum, it has succeeded in interrupting the wave of violence between the Melanesians and the European settlers, which reached a bloody climax before the presidential election.

anti-apartheid Bill

warned that it would face political pressure to retaliate against US oil companies if the US enacts legislation effectively barring British Petro-leum and Shell from bidding for exploration licences.

letter to US congressmen from a senior Washington-based British diplomat, is the latest move in a series of protests by European countries over clauses in the Wolpe-Dellums claises in the Wolpe-Dellums
Bill calling for a near total
trade embargo on South Africa.
The Bill's wide-ranging provisions include barring US subsidiaries of foreign oil companies from gaining US oil, gas or
coal leases as long as their parent companies continue to

ent companies continue to operate in South Africa. The letter from Mr Brian Crowe, acting charge d'affaires, appeared to be a warning that US oil companies North Sea oil exploration licence awards, although Britain yesterday was keen to point out that the issue had not yet reached this stage and that the letter contained no

Mr Crowe said that the legis-lation was objectionable because of its extra-territorial President Reagan opposes

the legislation and it is given scant chance of passage this year. However, It could be

acted on next year under a new Administration, particularly in the event of a Democratic Party victory in this autumn's presidential election.

The letter revives a long-running argument about attempts by the US Government to con-

trol overseas corporate activ-

ity.

This issue was raised when overseas US bank branches were forced to freeze Iranian assets, and earlier when the overseas subsidiaries of US companies were barred from selling equipment for the Siberian gas pipeline that now supplies Europe.

Britain led European resistance to a US Justice Department anti-trust suit against European airlines after the receivership of Laker Airways. This time, however, the effect of the Bill would be to control the overseas activities of the overseas activities of non-US companies as well. introduced legislation which resulted in BP and Shell no longer receiving equitable

treatment when applying for US licences, then the British Government would certainly come under strong domemstic pressure to retaliate against US oil companies operating, or wishing to operate, in the UK. Given the very substantial participation of US oil companies in the North Sea this is a in the North Sea...this is a situation which we very much hope will not arise."

## UK economy 'set to slow in 1989'

By Ratph Atkins, Economics Staff, in London THE UK economy will continue to grow strongly this year but will slow in 1989 with little, if any, improvement in

the trade gap, according to two surveys released today. The Confederation of British Industry (CBI), in its August industrial trends survey, says manufacturing output growth is expected to remain strong in the next four months. It plays down fears that industry might hit capacity constraints but warns the strength of sterling

The CBI survey, covering 1,528 manufacturers during August, shows 20 per cent said export orders were above nor-mal, while 22 per cent said they were below usual. This produced a balance of minus 2 per cent – the first negative balance since April 1987. Mr David Wigglesworth, chairman of the CBI's eco-

nomic situation committee, blamed weak export orders on higher exchange rates. "Indus-try wants to see sterling stable

**WORLD WEATHER** 

at a competitive level. That is a top priority," be said.
A Financial Times survey of forecasts by 21 independent

groups shows economic activity growing by 3.8 per cent this year. This is projected to fall to 2.4 per cent in 1989. The current account deficit is forecast to reach about £10bn (\$17bn) this year and in 1989.

The CBI, in an economic forecast accompanying the

forecast accompanying the industrial trends survey, pre-dicts a current account deficit of £11.1bn this year falling to £8.7bn in 1989. Economic growth is expected to slow from 4.2 per cent this year to 3.2 per cent in 1989.

3.2 per cent in 1989.

The forecast, survey and the Financial Times' results were compiled before the release last week of trade figures for July and the subsequent 1 percentage point increase in base rates. The trade figures showed a record current account deficit of £2.15bn - far worse than expected. Forecasts for growth, Page 4

Dollar still holds ground

Continued from Page 1

devaluation in the D-Mark. In addition, a senior Admin-istration official told the New York Times last week that a further rise in the dollar could be troublesome. This is the first time a key official has attempted to talk the dollar lower for some time.

The US authorities believe that there are substantial economic risks in a significant appreciation in the dollar. Many forecasts suggest that there will some deterioration in the trend of the trade deficit in the second half of this year, a major argument for not

allowing the dollar to rise too

An appreciation of the dol-lar would also risk relations with America's Group of Seven partners.

The nub of the dilemma faced by the US Federal Reserve is that any further move to tighten monetary policy in response to robust economic growth and inflationary pressures could put further upward pressure on the dollar. The next flashpoint is expec-

ted to be Friday's US unemployment figures for Angust. Currencies, Page 27

## Consuming worries for the retailer

The British addiction to shopping might be a puzzle, but the inability of shopkeepers to benefit from it is surely a greater one. While the shopper's purse has consistently proved bigger than anyone thought the profits of retailers have turned out smaller. Indeed, the correlation is so marked that a casual observer might almost think one caused the other. In 1986 consumer the other. In 1986 consumer spending grew 4 per cent, and retail earnings by 22; last year spending grew even faster, at 5 per cent, while earnings growth fell by half. This year, growth fell by half. This year, a further acceleration in spending is likely to go with another 50 per cent drop in the rate of retail profit growth. The sector now stands at a 20 year low against the market, and if County NatWest is to be believed, may have at least 10 per cent further to fall in relative terms.

The problems that have landed the retailers in this mess are not new, but they mess are not new, but they appear to be getting worse. The market is becoming increasingly competitive, and retailers have had to spend more and more on swanky new designs to survive. This has left many companies 50 per cent geared, so that every rise in interest rates hurts. Meanwhile, the continued boom in retail property prices is thumping erty prices is thumping through to rents; and in the dash for space, retailers are committing themselves to expensive new stores when future prospects may not merit it. To make matters worse, wage costs are rising, while productivity gains are proving difficult to achieve.

One simple economic fact explains much of this: the retail sector is mature, and has finally realised it 15 years too late. The signs of age were dis-guised in the 1970s by inflation, and in the first half of the 1980s by strong spending, that has made coming to terms with maturity now all the more difficult. The hardest hit so far have been the clothing retailers, which are competing most ferociously, and which have spent even more prodi-gious sums on refurblishment. Even some of the more successful fashion chains are beginning to complain, and what applies to them is likely to apply to the rest of the although perhaps to a lesser

degree.
The recent opening of acres of new selling space has aggra-vated the problem. Space com-missioned back in 1984, when it was actually needed, is coming on to the market just as the national effort to curb spending gets into full swing. Last

Stores FT-A Index relative to the FT~A All-Share Index

1987 1986

year 20m square feet of new space was opened, four times as much as in 1984, while this

year and next year the figure could be higher still.

Given this background it is not surprising that record retail spending figures have not been much of a comfort. If retailers cannot thrive when spending is this strong, a squeeze would really hurt their prospects. However, not even Nigel Lawson himself has the first idea when spending might slow, or how quickly. The ever-confident retailers may receive themselves that interreassure themselves that interest rates have proved a poor way of getting at retail spending in the past. But this time things could be different, and not just because of the explosion in consumer and Carti sion in consumer credit. Confi-dence is the key, and after the last five years it may be stretched to the limit.

#### Shareholder value

One of the more curious aspects of the international corporate arena is why some of the most admired corporations - from a management stand-point - are often so lowly rated in the stock market. This may be because the stock mar-ket is taking an unnecessarily short-term view of a company. but it can also reflect a perception that some managements are more concerned about expanding their corporate empire than maximising shareholder value. In the US it is accepted that

corporate share buy-backs can sometimes be more beneficial to shareholders than investing in a new plant, or using the completely new business. Indeed, it is one way of spotting companies that have shareholders' interests close to their heart. However, despite the prompting of organisations like the Bank of England, this sort of thinking has hardly begun to take root in Europe. in the UK, the rarity of occasions on which companies hand over successful businesses to their own shareholders, the general reluctance to increase returns by gearing up corpo-rate balance sheets and the unwillingness of most major companies to go through the bother of trying to buy in their own shares indicate that, however hard they may protest otherwise, maximising share-holder value is not the top prie bound

ority of most companies.

The evidence is even more pronounced on the Continent. and nowhere more so than in Sweden, home of some of the more interesting global compa-nies. Over the next couple of days Volvo and Asea Brown Boveri, Sweden's two biggest companies, will be reporting their half yearly figures. And while their results are not going to be particularly exciting, they are among the major exceptions to what is turning out to be a very good year for Swedish corporate profits. Nev-ertheless. Volvo and Saab-Scania, which have an enviable reputation in their respective fields, and Electrolux, which is at the forefront in reorganising the world's domestic appliance industry are all trading on pro-spective earnings multiples of between 5 and 8 – against a prospective market multiple of around 9. Why are so many well

known Swedish companies so poorly rated even though the local stock market has been one of the best performing in Europe this year? Part of it is a result of their dismal share price performance – Volvo, Saab, Asea, Ericsson, base at lux and Pharmacia have all underperformed the local Swedish market over long periods. This may sometimes reflect a general disenchant-ment about the prospects for long-term profit growth of the industries in which they oper-ate. Volvo and Saab, for example, are no different in this respect than Ford or General Motors. In other cases – most notably, Pharmacia, Ericsson and Electrolux – there has been understandable concern about their diversification strategies.

There is also evidence that the more liquid, internationally traded Swedish stocks suffer more in a bear market, as foreign investors retreat to the However, the main reason why so many Swedish blue chips are so poorly rated has to do with their restricted voting share structures. This severely limits their vulnerability to takeover, and at the end of the day this is the only sure way of ensuring that companies maximise shareholder returns.



Gulf Guarantee Trust Ltd. is an authorised institution under the UK

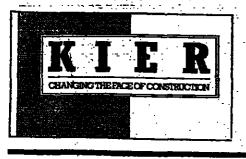
Financial Highlights - for year ended 31 March 1988

•	31 March 1988	31 March 1987
TOTAL ASSETS Cash in hand and balances at banks	34,524,999 23,828,434	£ 34,724,785 20,543,488
Advances	9,387,902	12,219,786
CURRENT LIABILITIES Current, Deposit and other accounts	23,564,281 22,599,521	23,014,879 22,573,949
SHAREHOLDERS' FUNDS	10,803,946	10,781,937
PROFIT Before Provisions	446,499	683,233
Provisions	(8,307)	(352,291)
PROFIT Before Tax	438,192	330,942
PROFIT After Tax	272,009	188,522
PROPOSED DIVIDEND	250,000	-

Gulf Guarantee Trust Ltd. is pleased to announce strong growth in profits in the year to 31 March, 1988 and its first dividend since the institution was restructured in 1982

> Kamal Khan Chairman

Dividend will be paid after 1st September 1988, at the Registered Office: Suite 22, 140 Park Lane, London W1Y 3AA. Tel: 01-493 1969. Fax: 01-409 1251. Telex: 25946.



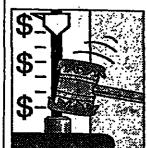
## **FINANCIAL TIMES** COMPANIES & MARKETS

Tuesday August 30 1988



#### INSIDE

#### The bouncing dollar Eurobond



tion in recent weeks by central bankers to hold down the US currency has not dimmed investors' appetite for new dol-lar Eurobonds. indeed, so great has been the demand that last week yields on the bonds were driven to their lowes level over compara-

Concerted Interven-

securities in over a year. Last week, five borrowers together raised \$950m, one of the most active weeks in this currency for some time.

#### Currency swings and factory roundabouts

Large companies should stop treating currency swings as problems and start looking at them as a strategic opportunity to move product sourcing around the world. That is the theory advanced by two Swedish consultants - and their global factory networks could have threat-ening implications for Europe's luxury car manufacturers. The Business Column, Page 32

#### The makings of a soap opera Television facilities com



pany Trilion makes Channel 4's Business Programme. But the company's own brief and colourful stock man ket career would itself make gripping TV, including a plunge into losses and the resignation of the company's founders. Still, Mr Keith Wilkinson (left), the new finance director.

believes that the picture is about to become rosler following the deal that will remove it from London's docklands to the hubbub of Piccadilly Circus. Page 19

#### Nikko reshuffles the pack Nikko Securities, Japan's third largest securi-

ties group, has carried out a major shuffle of top management and an internal reorganisa-tion that has seen the departure of executive vice-president Mr Tadao Kobayashi and seven other directors. Page 18

#### Market Statistics

Sase lenging rates
Euromarket furnover
FT-A World Indices
FT/AIBD Int bond avo
Foreign exchanges
London recent issues
London share service
London tradit, options

Principal Companies Covered

Credit Sulsse GB-Inno-BM

Samancor

19 Gambro Merill Lynch 18 Mountleigh 18 Nikko Securities 16 Rembrandt

Un.Bank Finland

## An over-achiever takes a final bow

Roderick Oram and Richard Lambert look at the leading characters in a Wall Street play

erry Tsai always was an over-achiever. Before learning to fly a single-engine aircraft, for example, he got his helicopter licence. Once you know helicopter, single-engine is duck some he explained gine is duck soup," he explained in an interview two years ago.

Trying to master a Wall Street firm in the wake of last October's crash seems, however, to have proved too hard a task for Mr

Tsai - who is known more for deal making than for managing. He had big ambitions for Primerica, the company he reshaped in recent years out of American Can, and he put a brave face yes-terday on the \$1.7bn takeover yesterday of Primerica by Com-mercial Credit Corp, itself an aspiring financial services giant led by Mr Sandy Weill. The com-bined group would, he said, he stronger than ever. But he will-take a distinctly subordinate role to Mr Weill, who is one of the

sector.

The merger is equally poignant for Mr Weill, marking his return to Wall Street, scene of his greatest achievements, after a three year gap. In totally different styles, the two men have blazed adventurous and distinctive careers on Wall Street over the past 30 years. It has been Mr past 30 years. It has been Mr Weill's style, though, which has proved the more enduring. With three partners, Mr Weill

started a brokerage house in 1960 which through the course of more than 20 takeovers in 25 years ended up as Shearson Leh-man Brothers, the second largest Wall Street investment banking firm in terms of capital. Success in melding those firms together was widely attributed to Mr Welll's management skills and his insistence on the best back office systems on Wall Street.

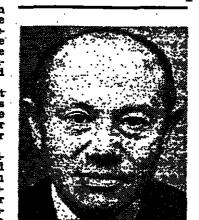
After Shearson was taken over her American Ferroses in 1991 Mr.

by American Express in 1981, Mr Weill tried to make his mark on the new parent. He resigned, though, in mid-1985 after failing to become Amex's chief execu-tive, and spent the next 18 months looking for a new corporate vehicle. BankAmerica turned down his offer to raise \$1bn of new capital in return for making him chief executive.

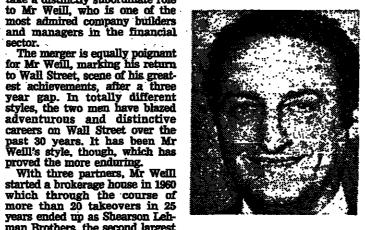
His chance to rebuild came in late 1986 when he and a team of long-standing colleagues took the management reins and a substantial minority equity interest in Commercial Credit, a consumer finance company spun off by Control Data, the computer maker.

Few doubted that Mr Weill's

real intention was to use Com-mercial Credit as a way back to Wall Street. Late last year he came close to taking over E.F.



Exit Gerald Tsai (above) and re-enter Sandy Weill after an absence of three years



Hutton, which had been badly hurt by the crash. But he was pipped at the post by his old company, Shearson Lehman.

Now, through Primerica and its recently acquired Smith Bar-ney subsidiary, Mr Weill has made it back to Wall Street.

Although the sale marks a vio-lent change of direction for Mr Tsai, he has often shown himself willing to trade companies in the way that other people trade

"Any business that we have we will keep - as long as it is profit-able and meets our objectives," he said last year."And the day it doesn't meet our objectives, we

Yesterday - and not for the first time in his life - he showed that this attitude extended to his whole business empire. Until recently, his apparent goal had been to develop Primerica into a great financial corporation.

Approaching 60, and with Primerica's mandatory retirement age of 65 looming on the horizon, it seemed that this was to be his last chance of developing a major

business empire. But last October's crash transformed the picture. Coming just a few months after the \$750m acquisition of Smith Barney, the investment banking and securi-ties firm, the bear market hammered Primerica's stock market status. Earlier this year, there were rumours that Mr Tsai was planning a management buy-out. But instead, he has decided to sell the business.

This is the second time that Mr Tsai's image as a stock market wizard has been dented by a wizaru market sethack. The early 1960s were his all-star years, when he emerged as a hugely successful fund manager with Fidelity. In 1966, he decided to launch his own mutual fund, which pulled in what were then which pulled in what was then the extraordinary figure of \$247m on its initial launch.

But he was to do a lot better out of the fund than his customers. In 1968, after a year of bad performance, he sold out for about \$30m to CNA Financial and his glamourous image disap-

peared over night.

After a few mixed years with
CNA, Mr Tsai moved on to run his own brokerage firm in the 1970s. But it was not until the end of the decade that he began what Business Week magazine was to describe later as a com-back so dramatic that "it verges on reincarnation." It started in a quiet sort of

way, with a move into the insur-ance industry. In 1982, he again sold out, this time to American Can, which was in the process of diversifying away from its manufacturing base, and he joined the company to take charge of its financial services unit.

Led by Tsai, who by last year had risen to the post of chair-

man, American Can sold off its paper and packaging assets, and released well over \$2bn for reinvestment, mostly in financial ser-

A symbolic break with its past came when the company changed its name to Primerica.

extraordinary financial coups in his time. One recent example was the acquisition of the investment management arm of American General Corp in 1983, a business which in the space of a few years which in the space of a few years was worth many times the purchase price. But the misfortune of this quietly spoken Shanghaiborn financier is that he may be best remembered by the public for two mistakes - getting the stock market wrong in 1968, and again nearly twenty years later.

## Cautious Europe provokes bout of American angst

**Anthony Harris** in Washington

hat a difference half a point can make. A short time are the repoint can make. A short time ago the Fed threw Wall Street into a shallow threw Wall Street into a shallow depression with this modest rise in interest rates; and last week Bonn threw Washington into a subdued rage by following the Fed's example. Nobody here not even the usual apologists for German policy — can think of any sensible reason why the Germans with high unemployment. mans, with high unemployment, a huge trade surplus, and almost no inflation, should choose to tighten monetary policy at this time. "Poehl" has now joined "Stoltenburg" as a Washington cussword.

American disillusion with Europe in general, and Germany in particular, is becoming an important political fact. Mr Beryl Sprinkel was for once ahead of his time when he answered a German lecture on American eco-nomic sins some time ago by saying: "I see it now. We just need to double our unemployment, and everything will be fine." Since then the continued German fail-ure to deliver on promises of tax reform and expansion has made this impatience widespread, and a German-dominated Europe is seen as wedded to stagnation. One Fed governor was moved to suggest that when the historians come to assess Mrs Thatcher, they may conclude that her greatest achievement was to keep Britain out of the European Monetary System.

Over-caution is only one entry in the catalogue of European sins. Farm policy is, of course, a long-standing grievance; only the drought has caused a truce in the quite open US campaign of carefully targeted dumping of subsidised temperate-zone food com-modities, aimed to raise the cost of operating the CAP. Feeling on this issue is stronger than ever, though, since the Japanese made some politically difficult efforts to open their own food market, while the Europeans have done pothing. An unpromising start to the Uruguay round.

In policy debates here, Europe is taken as a cautionary example. The main argument against the law imposing 60 days' notice of plant closings was that since this was normal practice in Europe, it must be wrong. The media and even the financial markets are also tending to turn their backs

on the Atlantic. When inward investment is debated, nobody seems to notice that the Europeans, led by the British, are doing most of the buying. Only Asian purchases are seen as a threat and a challenge. In the currency markets, intervention by the Europeans no longer seems to have any effect on speculators; but a word from a US Treasury official, or a whiff of intervention from Tokyo, can still turn the markets.

This estrangement is already damaging European interests. This was clear in the debate over the missile treaty with the Soviets: European reservations over the withdrawal of tactical weapons were heard, but given pre-cious little weight. It is less clear in questions of trade, but the fact that European car exports have suffered a quite disproportionate

After 1992, Europe will 'turn in on itself and become a sprawling, sluggish entity about as relevant to the outside world as the Austro-Hungarian Empire - a decadent pleasure resort.'

setback in the last year is suggestive. Price is clearly part of the story, but price has to be mea-sured against perceived value. It is the Japanese who are now seen as the technical leaders, so that European prices which were once seen as acceptable now appear

If this mood was a passing irritation it would hardly be worth a column. Relations across the Atlantic have always had their ups and downs. This time it could be more serious, though.

Europe is preoccupied with 1992; in America it is widely thought that this will be the date on which Europe finally turns in on itself, and becomes a sprawling, sluggish entity about as relevant to the outside world as the Austro-Hungarian Empire – a



decadent pleasure resort The gleefully expected collapse of the EMS in 1993 will complete this Balkanisation; the map of the relevant world will be cen-tred on the Pacific, not the Atlantic. The west coast made this change in orientation years ago, but it is only now becoming pal-

pable on the east coast too.
You think I am exaggerating?
A little, perhaps; but we still have to get through the next three years. During that time we will have quarrels over trade and over defence burden-sharing, which could become quite bitter. We will have a lacklustre American President, and that will not help any European leader who wants to make an issue of transatlantic relations.

The financial markets also tell us that this is not just a matter of American feelings; the Japanese picture of Europe seems to be equally unflattering. Oriental good manners make this less explicit, but the money vote is clear. Japanese investors do not turn much to Europe during their periodic bouts of disillusion with the US market. The only person who seems to have a chance to check this slide

in the next few years is our own Mrs Thatcher. She still has substantial prestige in the US, and if Vice-President Bush wins the election there could be a chance of a promising special relation-ship. He dearly loves to have somebody to look up to.

She is no doubt preoccupied with domestic problems at the

moment, but even these are viewed with some sympathy here. The rudest comment I have encountered is that of a Wall Street analyst, who remarked that Britain's current problems are very like those of the US in 1985 - an over-valued currency and a domestic credit boom. These tend to be self-correcting in the long run.

The policies that could help

ought to come naturally: a determined new drive for fundamental reform of the CAP, an angry assault against European protectionism (against British-made Nissan cars, for a start) and a popular assault on the Brussels bureaucracy. Such issues could readily provoke some loud quar-rels in Europe, and a fight in Europe would at least be interesting. Interest is a much more promising emotion than contempt. If Mrs Thatcher can quarrel her way back on to the cover of Time Magazine again, my next report on transatlantic relations could be much more interesting.

#### **UK GILTS**

## An over-abundance of doubt

AS STERLING abowed visible signs of cracking last week, the market for longer-dated gilt-edged securities was star-ing at 10 per cent and feeling decidedly queezy.

The Bank of England's inter-

markets to support sterling and the call by Mr Nigel Law-son, the Chancellor, not to lose one's nerve, sent yields at the long end to above 9.9 per cent. The market is worried and skittish. It believes current account deficits matter, espe-cially after last week's "Pink Book" revisions to the 1987 trade figures and Thursday's £2.1bn (\$3.6bn) July current account deficit figure. Also, it account dench rigure. Also, it did not like knowing that the Treasury was surprised once again by the strength of demand in the economy.

The market does not appear to believe that 12 nor eart have

to believe that 12 per cent base rates are the top of the current interest rate cycle, but the consensus is that I3 per cent may well be, rather than the head-line-grabbing predictions of 15 per cent. Above all, however, it seems

likely that the mood of the long end will be conditioned by the direction of sterling. Whether or not price move-ments will follow the pound up and down is most as there are likely to be countervailing forces on the unside and the downside.

Advances will have to wait until there are clear signs that the effects of the latest interest rates rise have begun to bite. A major fall in sterling, which will be resisted by the authorities, could see prices slide more

significantly.

The Bank has been a willing buyer of gilts, so its actions may stabilise the longer end (and pick up some cheap stock) if things get out of hand. From a short-term trading view, however, it is difficult to

UK Glits yields Aug 26,1988 vention in the foreign currency 0 5 10 15 20 25 30

> be bullish. But for the investor who wants to stay in the mar-ket, how does he evaluate the success of the authorities' latest interest rate manoeuvres?

The Bank already sees a number of "straws in the wind," which suggests that the June to early August tightening was beginning to have an effect on the housing market.

The building societies have said that new commitments, that is, loans negotiated but that is, loans negotiated but not yet made, are slightly less than the mortgage growth rate in first half, indicating a slack-ening in demand. This seems to be flowing through to prices. The Royal Institution of Char-tered Surreces record tered Surveyors' recent survey indicated a levelling off of prices in the over-heated markets of London, South, South-west, and East Midlands.

The above will remain straws in the wind until the straws in the wind until the markets get some harder evidence flowing through from the monthly economic releases. The two key ones from the market's point of view are now the more former agreementally. the money figures, especially MO, and retail sales.

If the latest figures show buoyancy continuing, they could again influence the dollar's short-term path. The MMS International consensus of analysts' forecasts suggests the memployment rate will

Similarly, the Bank will be monitoring closely retail sales. High street sales comprise about half the value of concent. For non-farm payrolls in August, the MMS consensus points to an increase of 230,000 sumers' expenditure, so clearly, any moderation in the rate of growth of sales will supcompared with 283,000 in July. port the view that the con-sumer is begining to moderate spending and that the pace of

demand overall is slowing. Does Britain have a trade problem or an import problem? In the three months to July the volume of UK exports rose 5.5 per cent over the same period a year ago. Contrary to the CBI today, that does not seem to indicate that British exporters are hurting, or losing market

invested MO, a money measure which includes mostly notes

and coins in circulation, with much intellectual credibility. It

has been seen as a "coinci-dent" indicator, rather than

one which says anything par-ticularly interesting about the

Its importance now is pre-

cisely because it is a coincident indicator of economic activity:

it tells us something about the

strength of demand in the economy and with a short lag. Mo is being seen by the Bank as an important early warning

share.
In 1986, profit margins accounted for 88 per cent of the rise in output prices; in 1987, margins accounted for 78 per cent of price rises. So far this year the indications are that resulted the resulted that the price rises are the resulted to the resulted that the resulted manufacturers have continued to raise prices and maintain high rates of increase in pro-duction and exports.

Last year, labour costs made negative contribution to price rises. In 1981 they accounted for 77 per cent of the Simon Holberton All of these figures are expected to confirm the

US LABOUR market figures are likely to be the most closely watched economic statistics in financial markets this week.

THIS WEEK

The employment report on Friday will be the first indicator of economic activity for August. Last month's figures, which showed a large increase in employment, led to fresh fears of a resurgence in US inflation and were widely viewed as the catalyst for the Fed's decision to raise the US discount rate.

remain unchanged at 5.4 per

The index of leading indicators for the US economy in July are released today. The MMS consensus is for a fall of 0.7 per cent after robust growth last month: Oil traders will this week

be keeping a close eye on Dr Subroto, the secretary general of the Organisation of Petroleum Exporting Countries, as he shuttles between Tehran and Baghdad Opec production quota agreement.

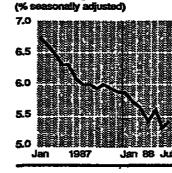
Any concrete sign that Iran and Iraq will accept his proposal that the two be given equal quotas could send oil prices sharply higher, especially if Dr Subroto feels confident enough to call an emergency Opec meeting.

In Japan, this week brings a rush of key economic tatistics for July. Balance of payments figures are due on Friday, industrial production

and unemployment figures today and housing starts on

a day yet to be announced.

**US Unemployment** All workers 16 years & over



prevalent view among economists in Japan that the economy is still growing strongly – perhaps too

strongly.
In West Germany, the next hatch of securities repurchase (repos) agreements are due tomorrow, although the Bundesbank will announce its rate today.
At last Thursday's press

conference announcing a half percentage point rise in the West German discount rate, Mr Karl Otto Poehl, the Bundesbank president, hinted strongly that the repos rate would not be increased from the current 4.25 per cent this

Figures for UK official reserves in August are to be released on Friday Other figures and events this week (with MMS International consensus of forecasts in brackets) include:

Today US factory orders in July (fall of 3.5 per cent). Bank of England final money supply figures including full bank and building society figures for Tomorrow US two-year

figures for June. Thursday US construction spending in July (0.2 per cent increase). Friday UK Housing starts and completions in July.

Treasury note auction. UK

overseas travel and tourism

One bank that didn't enjoy a holiday this weekend



## Hambros new head office is now at 41 Tower Hill London EC3N 4HA

Telephone: 01-480 5000

Hambros PLC

Hambro Group

Investments Limited

Hambro European

Ventures Limited

Telex: 883851

Fax: 01-702 4424

Hambro Countrywide PLC

Hambro Guardian PLC

Berkeley Hambro

The following Group companies are at this address: Hambros Bank Limited

Hambros Leasing Limited

Hambros Bank Executor and Trustee Company Limited

**Property Company Limited** Berkeley (Insurance) Limited



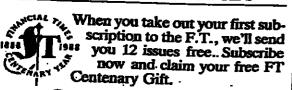


#### Have your F.T. hand delivered in France

If you work in the business centres of ANTIBÉS, BORDEAUX, CANNES, GRENOBLE, LYON, MONACO, NICE, PARIS (all arrondissements) plus 92000 postal code, STRASBOURG, TOULOUSE or MARSEILLE — gain the edge over your competitors. Have the Financial Times hand delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that affect your market and your business.

# 12 FREE ISSUES

PLUS FREE CENTENARY GIFT



Paris (01) 42 97 06 23 And ask John Rolley for details. **FINANCIAL TIMES** 



Wilf Brissel, Financial Times (Europe) Ltd siellettstraue 54, D-6800 Frankfort am Moin 1, West Germany Tel: (069) 7598-101 Соперану: Address:

Title:

New Issue

US MONE	Y MAR	KET R	ATES	(%)	
	tast. Falday	J week	4 sits 400	12-math High	12-marts
Fed Fands (weekly average) Three-worth Treasury bills.	8.62	820	7.77	8.19	6.27
Sta-match Treasury bills	二 735	7 NJ	733	7.76	6.21
1 67 72 - 43 94 10 10 10 10 10 10 10 10 10 10 10 10 10	0 68	733 151	735	7.65 8.25	<u>573</u>
		8.15	120 7.85	72	6.77 6.57
90-day Commercial Paper	8,40	8.30	A.GE	8.05	4.65
US BOND PI	RICES	AND Y	(ELDS	(%)	
	뛾	Change		1 week	4 mt.
	TT.		Yidd	-	290
Spro-year Treasury	- 981 - 97 - 97	4	9.25	9.20	4.97
20-year Tabbury	- 25		9.43	9.42	9.24
30-year Tressery New 10-year "A" Floracial		********	9.63 . 10 10	9.40 10.10	9.22 70.00
		4	10.50	10.50	10.25
New "AA" Long Industrial	#4		10.37	10 38	1020
			, w	ш.ж	1020
Money supply: in 1			surce: Selo	non Bros 4	
Money supply: In 1	the week o	Separated Sep	surce: Selor Stember 7	non Bros 4	
	the week o	September Septem	press Salor Stember 7	non Bros (s MS	
NRI TOK	the week o	ended Sep	Arca: Salor Member 7 IDEX VRIJANCE N	MI DEX	
NRI TOK	the week o	ended Sep	press Salor Stember 7	MI DEX	
NRI TOK	25/8/87	ended Sep	Arca: Salor Member 7 IDEX VRIJANCE N	BEX	ationates).
NRS TOK	25/8/87 148.36	MD FM Arrage rich 491	DEX DOUBLET  Int 163.33	DEX	Zi xis
NRS TOK	25/8/87 148.36	Arrage rich 4.91	DEX DRIVANCEN  Lat  143.33  143.33  145.33  145.24	12 sts 200 141.0	25 m/s 25 m/s 250 142.39
NRS TOK  Persular 1963 = 100  Inversit South Sou	2/8/97 25/8/97 143.30 145.34 145.34 145.34	MD fin  MD fin  Autor  Autor  491  468 5.12	DEX  ORBANCE N  Lad  408  143.33  143.53  145.53  145.54	DEX	25 mis 290 14239 146.59 146.59
NRS TOK  Persular 1963 = 100  Inversit South Sou	2/8/97 25/8/97 143.30 145.34 145.34 145.34	September 1990 April 1990 4.91 4.68 5.12 5.12 5.12 5.12 5.12 5.12 5.12 5.12	DEX District Subject of the subject	DEX	25 mls 299 142.39 143.99 145.99 135.71
NRS TOK  Persular 1963 = 100  Inversit South Sou	25/8/87 25/8/87 143.30 143.31 15.44 157.49 137.49 144.65 147.99	MD fin  MD fin  Autor  Autor  491  468 5.12	DEX VOILANCE N 143.33 143.53 145.54 145.74	DEX	25 mis 290 14239 146.59 146.59

All these securities having been sold, this announcement appears as a matter of record only.



BEST DENKI CO., LTD.

(Kabushiki Kaisha Best Denki) (Incorporated under the laws of Japan)

U.S. \$200,000,000

4½ PER CENT. NOTES DUE 1993 WITH WARRANTS TO SUBSCRIBE FOR SHARES OF COMMON STOCK OF BEST DENKI CO., LTD.

ISSUE PRICE 100 PER CENT.

The Nikko Securities Co., (Europe) Ltd. **Credit Suisse First Boston Limited** 

Daiwa Bank (Capital Management) Lir Daiwa Europe Limited

**Bank of Tokyo Capital Markets Group Chuo Trust International Limited** Dai-ichi Europe Limited Robert Fleming & Co. Limited Merrill Lynch International & Co. **Morgan Stanley International** Sanwa International Limited **SBCI Swiss Bank Corporation** Sparekassen SDS Tokyo Securities Co. (Europe) Limited

Barclays de Zoete Wedd Limited Crédit Commercial de France Deutsche Bank Capital Markets Limited Kleinwort Benson Limited Mitsui Trust International Limited New Japan Securities Europe Limited Sanyo International Limited J. Henry Schroder Wagg & Co. Limited **Tokai International Limited** S. G. Warburg Securifies

Westdeutsche Landesbank Girozentrale

#### INTERNATIONAL CAPITAL MARKETS

US MONEY AND CREDIT

# Awaiting jobs data before Labor Day break

coming long weekend.

For this week carries a sting in its tall with the release on Friday of August's employment data, an economic indicator which has come to play a pivotal policy role at the Federal Reserve. Inst a month see eral Reserve. Just a month ago, July's figures showing further brisk job creation prompted the central bank to spring a discount rate rise on markets. In fact, of the Fed's last six moves to tighten its monetary policy, at least half were triggered by strong jobs data, points out Ms Maria Fiorini Ramirez, chief fixed income economist with Drexel Burnwith Drexel Burnham Lambert in New York.
Wall Street believes the same pattern will be played out with the latest data. Creation of a forecast 230,000 jobs in August, though a touch weaker than the previous month, would still be consistent with an economy growing too fast and with too much inflationary pressure for the Fed's comfort.

Rather than act as product

ed's comfort. Rather than act as precipi-

HOWEVER STRONG the call of the beach, the barbeque or any of the other traditional pursuits of the Labor Day holiday. US bond traders will have good reason to refrain from adding Friday morning to their coming long weekend.

The thin mark assisted a stine tously to tighten as it did early this month, the Fed is likely to wait until around September 20 when its policy-setting Open Market Committee next meets. Unless the job figures show a wild rate of growth, the Fed's actions are certain to be more sentle than another discount. gentle than another discount rate rise. It will increase instead its Fed Funds rate, which banks charge each other for borrowing reserves over-night.

Currently the Fed's target for the Funds rate is around 8 per cent to 8% per cent and the next firming would nudge it up by % or % of a percentage point. Though third-quarter economic growth of between 3.5 and 4 per cent at an annual rate will justify further firming, the Fed will be reluctant ing, the Fed will be reluctant to make more than one such politically sensitive move before the election, argues Griggs and Santow, money market economist. Thus the Funds rate will rise to about 8%-8% per cent by November and then to 8%-8% by the vern-end. year-end.
Scope for these US domestic

policy moves was granted last week by the way European central banks increased their interest rates in an attempt to blunt the dollar's rise of recent

US Treasury yields July 29, 1968

3 4 1 2 3 4 5 7 19 30 Months Veers

The Reagan Administration had been very quiet on the issue until the middle of last week, when a senior Treasury official let the markets know the Communications and the communication of the Communi the Government was worried that a rising dollar would undermine the improvement in US trade performance. Foreign exchange traders took note of the words but were far more impressed by the Europeans' actions the following day. Mr Karl Otto Poehl, Bundesbank president, set the tone. In announcing the increase in West Germany's discount rate, he said: "We will use all our

powers to work against a further depreciation of the D-Mark." The Germans promptly acted by leading a heavy round of central bank intervention which pushed down the dollar The West Germans' fear that

Sivery paramond to outsiders. But the Bundesbank's determi-nation to throw a lot of money at its perceived curreny prob-lem is not doubted. Though intervention works, if at all, only in the short term, fereign exchange markets will proba-bly go easy on the dollar for a

while.
The stand-off could last amil the next US trade figures, when markets will have a chance to assess US trade per-formance. If the deficit turns formance. If the deficit turns out at about \$10km it would indicate an improving trend and, consequently, a little leeway for a stronger dollar. But if it turns out at \$12km to \$18km, the dollar could suffer. Clearly, the West Germans want the dollar to fall but, as Salomon Brothers' economists.

Salomon Brothers' economists point out: "An uptick in IJS rates triggered by domestic policy concerns would have the policy concerns would have the opposite effect. Consequently, the harmony over exchange rate policy that emerged last December seems to be ending. Renewed policy conflict would threaten a recoverage in the threaten a resurgence in currency and interest rate voiatil-

ity."

There was enough on the home front alone last week to unsettle US bond markets. wasettie US bond markets. Worst, was the upward revision in the second quarter's gross national product implicit price deflator by a full percentage point to 5.1 per cent at an annual rate. Such a sharp increase in a key inflation mea-

late their currently low level of domestic inflation looks excessively paranoid to outsiders.

Treasury's benchmark 30-year bonds to 9.50 per cent, a high for the year so far. Rates eased a touch by the end of the week but the trend is still firmly upwards.
Real growth in the second

quarter was revised up to 3.3 per cent at an annual rate from its earlier estimate of 8.1 per cent. Though the increase was only small, there were some nasty elements to it. The rate would have been a full-point higher were it not for the drought. Moreover, final sales (GNP growth minus changes in inventory) increased at an somual rate of 6.2 per cent.

Most werrisome was a switch of expenditures within the consumer sector itself," said Mr Robert Brusca, chief New York economist of Nikko Securities. Expenditures on services were reduced from a 3.9 per cent growth rate to a rate of 3 per cent. Non-durable expenditures were boosted from a decline of 2 per cent to fist. This change in the composition of consumer spending

imples a worse trade performance ahead."

The first clutch of economic statistics this week — new home sales, leading economic indicators and factory goods orders — are all likely to show declines from the prior month.
But these figures are all old
hat and the markets are not
likely to be fooled into thinking they indicate a significant
slowing of the economy.

### Merrill's contested offering goes ahead

By Our Euromarkets Staff

MERRILL LYNCH International has succeeded in making a hotly-contested \$50m three-year offering for Royal TrustCo interchangeable with an identical offering launched in July, in spite of the objections of a competing firm. However, the victory is a hollow one for Merrill, whose actions provoked hows of pro-

actions one for merrin, whose actions provoked howks of protests even from firms which originally agreed to help it underwrite the offering.

For one thing, the securities will not become fully fangible for at least face many her means. will not become marks, meaning that the issue will for some time be less liquid than originally expected.

voked remonstrations from normally reticent industry

officials. Merrill said that 16 of the 20 original members of the under-writing syndicate had stayed in its deal. Merrill won agree-ment from the two main inter-national clearing agencies. Euroclear and Cedel, to assign a single security reference mber for both sets of bonds. UBS Securities, underwriter of the initial \$100m tranche,

strongly objected to making the two deals fungible, argu-ing that there was no clause in the original bond prospectus allowing for the issuance of

weaker D-Mark will stimu-	sure knocke	d bond prices	and	Rode	rick	Oram	HOTE SEC	arities.		
	FT/AIBE	INTERN	ATIONAL	BOND	) SEI	RVICE			-	
MOLLAR RM C								· - gan		
	11.54 12.55 13.55	DEBEC PROV 13 90 DEEXISTAND GROT 123, MLSTAR PHROMA 123, 92 SYNOLUS R.J. 163, 98	99 1905 159 190 190 190 190 190 190 190 190 190 19		10.06 9.71 10.60 20.91 10.39	SAMMA BANK 11 SOUTHWEST AIR TEXACO CAPITAL	111, 94 211, 94	36 35 500 3	数学	9U 161
CQE_FIN_114_94		CHARGE R.J. 184 95 CHARGE R.J. 184 95 CHARGE R.J. 187 95 CKWELL RIT 97, 90 A.S. 107, 95	200	190 100	10.37				<b>-</b>	
DA AUSTRALIA 11 42 80 100% TRALIA 11 40 100 3024 TRALIA 11 400 100 1077	207 S	A.S. 201, 95 ICF 71, 94 ISKATCHEWAII 7 91		95 J		TEN STANDARTS ALDIED-SIGNAL 6 AFON CAPITAL 63	4 93	20.88N 3	rrich wask 141 <sub>2</sub> –1 <sub>0</sub> .	Y16 5.6
TREA 71, 97. 200 871	1000	Skatchewar 791 Skatchewar 113, 69 Skatchewar 113, 69 Skatchewar 113, 69 Ars Of Rri. 113, 93 Ars Of Rri. 113, 93 Ars Of Rri. 113, 93 Ars Of Rri. 113, 93 Ell Dr. 91, 60	150 100	122	9.56 10.18 9.77 9.59 9.19 9.79 10.44 10.44	BARCLAYS OIS RE B.F.C.E. St. 96 CANADIAN PACIFI	J L OL	26,084 1 40,088 1 20,084 1		Yie 5.6 5.7 5.6 5.8 5.2 5.1
K OF TOKYO 11 % 90 125 101 % 100 100 100 100 100 100 100 100 1	· 岩质	ARS 0/5. RM. 048. ARS 0/5. RM. 115 43.	200	275 B	10.44	PERMANK NA 12		10.000 2 20.090 1/	85 -4 84 -4	5.8 5.2
TRALE; 90	3 3 3	AIS RIEBUCK 81-90 BLL 61, 91-90 ATE 8K 57H AUST 91-9 ATE EL VICTORIA 10 92. B ABST GOVT FIN 81-90 MARCIBO PRI 11-1-92. EDEN 7-92		984 903	疆	EIS 44 94 EDROFIMAGY 95 EDROFIMAGY 92 EMACGY 90 ISM CREDIT CORP		30.080; 40.08N 1		5.6 5.6
HUM 71 91 20 941	100 S	ATE EL VICTORIA 10 12 EL AUST GOVT FIN 81, 90	- 160	벨극	22	EDROFINA 65 32 F.H.M.A. 63 92 EMACAL 90		10.08H 14 50.08H	105	5.6 6.2 5.2
10M 91, 92 400 481, 150 421, 1	113 25 125 125 125 125 125 125 125 125 125	EDER 7 92	750 250 150	44 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	9.55 9.61 9.49 4.51 9.59	IBM CREDET CORP TITLS 1. 72 MCDOMALDS COM	54.91	25.00N M 18.05N 1/ 20.08N 1/	mine make Mile — de mine Mile — de	4.7. 5.1/ 5.5
£ 71, 93. 150 951 £ 71, 97 156 871 WASCUTIA 77, 91 SW. 150 951		EDEN 194, 94. EDEN 194, 92 EDEN EDPORT By 91. TO KOSE 12 40. TO KOSE 12 40.	200		<b>議</b>	MEW ZEALAND 74	90	25.00# 16 15.08# 15.08# 14		550 543 437 554
120 454 125 125 125 125 125 125 125 125 125 125	10.07 TH	10 KOSE 12 10	259 200 106 106 100 100 150	18 - 1	743 F	PHILIP MORRIS 63	71	25,08N 10	20 1 33: → 21 +4	5.61 5.31
PTAL 1114 42 150 16334 + 150 16344 + 150 16344 + 150 16344 + 150 16344 + 150 16344 + 150 1	[ [ ] [ ]	INCO (0) 101 45	150	ion o	10.15 10.45 11.37	WORLD SAME 75.		20.08H 10 25.08H 10 15.08H 10 20.08H 11	14.04.4 14.04.4	\$.20 6.50 5.20
8E1 50UP 101- 95 100 183 +		OIS INSTR. 12 % 40 (ALASIA 12 % 45 (YO METROPOLIS & 4 (DRITO-DOM 8 98	200	1004		WOILD BANKS &		20.08# 11 20.08# (	ii 🖫	5.20
RAIL 7 10 1024 100 100 100 100 100 100 100 100 100 10	20.01 10Y		100 1 100 1		9.98 9.96 9.59 9.54 10.25	LECTR STREET,	<u>.</u> .	ر بيد		Yleid
77, 91 113 931 194 974 195 195 195 195 195 195 195 195 195 195		LEVER CAP COMPYS VE BRIGHT PUR ANTHERY RICES LANGERT BY, 96 LLS FARGO 133, 91 RLD BANK 7 92	130		123 123 123	COPEMIAGEN TOL COUNCIL EUROPE CALVALANCE 7 YES	**************************************	300 30 600 30 600 600 1.088 30	to: wet 000 - 1-2-9 98 - 1-2-9 02-1-2-9	7.43 6.87 7.31 7.43 7.57
128 111 12 12 13 14 15 15 15 15 15 15 15 15 15 15 15 15 15	10.7 W	RLD BANK 7 12 RLD BANK 11 4 70		90	뿛	EALWANGE 745. KLEWWORT SENS WORLD BANKS 96	DN 7 94	1.080F 107	3 7	73
BIR COEP 84, 96	10.03	RLD BANK 7 92 RLD BANK 11 4, 90 RLD BANK 11 4, 90 RLD BANK 11 4, 90 OKCREDIT COMP 1414, 8			246		:		مرت ال	
Description	10.03 MO 9.74 MO 9.55 PLB 9.55 PLB 12.55 MO 9.75 ALB 9.76 ALB 9.76 ALB			,		RILSI 91		300		6.13 Almi
ENTAL GAP 11 1/4 93	<b>缓 關</b>		و نیوز	The last of				300 100 150 100 150 100 100 100 100 100 1	777	1044 6.12 6.36 6.49 6.46 6.72 6.26 6.42 7.21 6.25
FORCIER 75, 94 150 40% -1 SATIONAL 74, 92 100 454 0 MATIONAL 84, 93 200 944 -1		ARCEALEISONE MA	725 500 300 200 200 200		87, 201 201 201 201 201 201 201 201 201 201	MERO BANK 74 89 MERO BANK 889 SATINGE FOODS &	L 29	200 100 100 201		12
HATTONIAL 8- 48		- MACO	200 1	700 O	五日	ABOBANKS 89. CHARLES 9 - 47 NT. STAIND CLECKS STEIF KONTROLLS	89	190 100 190 100		6.43 6.43 7.31
RK 71, 92 500 921, -1	10.30 B.S.I 10.06 B.C.I 9.76 B.F.I 9.56 B.F.I 9.50 B.F.I	0.15 % E-0.02 % -4 %	- 500	**************************************	72 C	SIER KONTHOLIE	UK790	100 101	6 6	62
RK 11½ 92 100 105½ -1 RK 13½ 41 100 105½ -1 RE BK FRI 13½ 59 200 1053 4	碧湖	05	400 10 300 9 		85. / 57	MANAGE MOLLAR MANAGERS			40-	VI.L
A94 91 100 965 -1	9.77 BAR 9.72 BAR 9.71 BAR 9.71 BAR	0 1006A 0.65 61 OF BOSTON 4, 2000	200 1		舞   益	LD.C. 1097 157 RESOURCES 13 (MOSTREAL SEAL	14 92 TV 01- 04	100 981 50 1001		10.55
789 75 % 1 84 % 195 901 -1	9.56 BANK 9.58 BANK 9.50 BANK	OF MONTREALS 96.	200 9 200 9 200 9 200 9 200 9	74. 0 4. 0	が 1 日	LCOLPROV 121, 40	4 91	75 1051 100 1021	3	11 26 11 68 11 19
250 651 -1 150 921 -1	9.57 BARQ 9.57 BARQ 9.57 BELG 9.57 BELG	2.05. DO OF SECURE A 42. DO ROSTOR I 2000. DOF ESSTOR I 2000. DOF CESSTOR I 2000. DOF MONTREAL A 96. DOF MONTREAL A 96. DO SECURE A 96. DO SEC		97 +4. 75 -3 -3	经院	LCOL PROVIDEZ   LCOL PROVIDE 92   92 LCOL PROVIDE 92 DIMARK 11   92 RM CREO CORP 12 11.006 SALAZA CA	L 90	75 1054 100 981 100 981 1100 1112 1100 1113 100 1014 75 1013 100 915 100 915 100 1004 75 102 100 1004 75 954	**************************************	10 45 11.27 11.26 11.48 11.19 11.26 10.79 11.20 10.79 11.46 11.46 11.46 11.46
250 851 -1	9.57 BELEI 9.90 BELEI 9.96 BELEI 9.85 GCF. 9.85 CENTR 9.86 CENTR	UM (5. 0 INT 1: 0.035 47.	100 91 500 100 400 1 150 97	00 0			MADA 942	50 gs	1	0.79 1.46
9 12 181 -	1.45 C.C.F.	7/	150 77		指一篇	NTREAL TRUSTON N BRUNSWICK 12 VA SCUTIA 11% 95. VAL TRESTOD 10%		100 915 75 102	* 1	1.40 1.51
FRANCE 163, 95 A 100 1004 -1	10.30 CERTIE	UST SAYMES 0.85%. UST SAYMES 0.15 %. MANGETTAN', 93 BARHATTAN', 99 CAL R.Y. 1 97	250 99 239 99 239 99 240 99 250 957 250 957 250 957 250 957 250 957 250 957 250 957 250 957	<del>[</del>		ALTRESTO 10%	90	75 964	<b>3</b> ii	197
10 40 1021 150 1021 150 1021 150 1021 150 1021 150 1021 150 1021 150 1021 150 1021 150 1021 150 1021	9.47 CHEAR	PARHATTARY, 89 CAL R.Y. J. 97 P2. 9E	30 50 30 50	1 1 7 1 0 8 1 0 7		STREETS		964 1944 - 1956	94 = J	
EUFE104 92 100 1014 4	10.72 CHICUS	PL W POSI, OL SFED 0.15%	100 97	4	纵侧	BARKING 104 91.	795	130 1013 50 1043	# 1	3.60 56
2. LFE 107 72. 100 100 ½ -5 40 49 96. 100 100 5 5 5 5 4 121 89. 175 105 0 67 CORP 10 98. 100 100 100 100 100 100 100 100 100 10	10.30 CRASE 9.34 CRASE 9.47 CREAS 10.72 CRICIO 10.72 CRICIO 7.42 CRICIO 9.30 CREAD 9.30 CREAD 9.30 CREAD 9.30 CREAD	ENZBK O/S FM 93. L OF ENREPE 93. U NORD & 97. OR EXPORTS 1, 92	200 993 50 993	9 7		C.F. St. 93		130 101 1 50 1041 125 90 150 1014 100 1054 75 1054 75 971 20 961	<b>‡</b>	3
EV CORP 72 90 100 1021 -1	9.59 CHED /	FONCIFE 07	155 90	0 81		SE NAT TELECOMI	174 12	75 1055 75 1051	3 9	-/3 1.18 7.84
CV CDD 1239. 200 1277 - 200 1277	9.45 CREDIT	FONCER 4 00 S. LYONNAIS 4 99. UNSTALT 2 96.	200 99 15	0 7 0 8 0 8 0 7 0 8 0 8		IT FONCIER 75, 94	2	70 <b>9</b> 91	++++++++++++++++++++++++++++++++++++++	8.40 1.56 7.44 1.35 1.75 1.18 1.82 1.80 1.60
		RK-1/8 M Extractor of low 15 col	1.09ml 991, 250 991,			HT LYONNAISAS 9 HTAUSTALT 82 94 MARK 75 96		75 964	0 7	54 57 62 53
S61 49 100 973 +4	<b>沒 是</b>	ELSTAT 94	350 160 100 971 200 160 160 160			HTARESTALT RATE OF THE PROPERTY OF THE PROPERT	1 1 1	75 965 67 1015 50 971 50 1065 50 97	3 :	.02 .33
175 106 -1 08ED 94 91 200 1001 0	10.35 FB00.6	ELSIAT 1/1895 E ELSIAT 97	100 100 420 100	7 7	EUR	DE FRANCE 74 98	1	00 1061 00 943 00 971	1 8 7	#9 89
300 964 0	235 PHST CH	ELSTAT LIBOUS ELSTAT LIBOUS ELSTAT SI BL STAT SI BL STAT SI BL STAT SI BLOOD IN SI TORICALD IN SI TORICALD IN SI TORICALD IN SI BL IN SI	200 1905 200 1905 160 100 429 100 100 155 125 1773 100 1955 100 1955	1 福	AURIO Frince	DE FRANCE 74 98 TOM 74 96 FINIA 74 95 SHEEPORT 74 92 TIE CO 77 93 WOLD TRADE 84 9 KJAPAN FIN 84 9 AMER DEV 10 93		5 100 9 984	7	87 61 95
PACKARD FIN 9 91 259 805	10.52 CEMPILA	MEL 94	- 100 99% - 100 99%		IBM W	ORLD TRADES 4 9		6 951 0 1011	- 9	59 50
107 16 99 75 1625 -1 CORP 64 99 75 1625 -1 TRADE 77, 93 150 924 -1 TRADE 124 92 200 1044 0	13 HUEX	B.S. 1/18 94.	- 100 991 - 200 991	9 7	TTALY MOET	AMER DEV 1040. 93, 89. HENNESSY 991		0 1055 0 101		18 ·
ES 1290 75 1025 -1	10.17 HESSESCH	E LANDESBK 96	- 150 MA - 150 MA - 125 MA	40000 100 100 0000000000000000000000000	MEW Z	AMER DEV 10-40.  MENNESSY 991.  LII GTY TST 83, 90.  EALAND 93, 92.  L FURANCE 83, 89.  LDS R J. 83, 91.  LEFIC AUST 84, 90.  SAN PUB AUTH 83, 89.  SAN PUB AUTH 83, 89.  SAN PUB AUTH 83, 90.  SAN PUB AUTH 83, 90.  SAN PUB AUTH 83, 90.	10 15 16 16 16 16 16 16 16 16 16 16 16 16 16	100 105 1 100 105 1 100 105 1 100 105 1 100 105 1 100 105 1 100 105 1 100 1 10	6 4 4 4 5 6 6 6 7 7 7 7 7 7 7 7 7 7 8 7 2 8 8 8 7 3 4 8 8 8 7 2 8 8 8 8 7 2 8 8 8 8 7 2 8 8 8 8	14 30
MY 101, 92 100 1021 100 1021 100 1021 100 1021 100 1021 100 1021 100 1021 100 1021 100 1021 100 1021 100 1021 100 100	10.17 TCELARDI 10.36 RELAIDI 9.34 RELAIDI 10.08 ESPERSIER 9.51 TTALYA 0	9	- 160 974 - 300 160	9 9	REYNO SEC. PA	LDS R.J. 84 91 LDFIC AUST 84 90	12 12	993 5 1014	2 86 9 81	2 2 2
DEV124 91 150 1671	9.79 KB IFINA		590 100 150 915	4 3	VICTOR	0M0 FN 9 역3 IAN PUB AUTH 87 SANK 7가 94	90	1015	2 85	7 9
511-5 42 1500 163-5 -4 987-10-5 40 75 160-5 -4 187-94 150 42-5 -4 187-94 150 42-5 -4 187-94 150 42-5 -4	777 7 60071841	PHANCE BIO, OR BRANCHT, S. C.	100 974 100 97	45 0 0 0 14 0 7 7 7 15 10 0 6 15 10 10 10 10 10 10 10 10 10 10 10 10 10					7.5	ŝ
150 921 -1 150 921 -1 150 1001 -1 144 65 94 150 951 0	9.70 MALAYSIA MALAYSIA	7 <u>%</u>	50 W		STRATE BANK R	HTS HTS HANCE 141, 92 JE SK PH 123, 91 USTRALIA 141, 91 NC BARRONG 121, 9	74mail	1004 +	on Mary Ylen	
TUAL 83-76	9.45 MARKE N	ANK's	. 250 91 . 250 934	1. 温	GARAC A	HE SK PM 123, 91 USTRALIA NA 1, 91 NC DAGRESSIO 1 1	100 75 0 50	1024 1004 1004	2 13.50 13.82 13.77	į
150 951	9.42 MITSU PI	ASIAL T	150 975 75 491, 180 991	0 10	1 .	and the second	•	96-2	14.89	j
95 854	9.48 MELK MAR 9.42 METSH FRE 8.94 MINISAN S 9.13 MINISAN S 9.13 MAT BAY WEST 9.73 MAT WEST 9.49 MAT WEST 9.49 MAT WEST 9.49 MAT WEST 9.49 MAT WEST 9.49 MAT WEST 9.49 MAT WEST 9.40 METS METS 9.50	DLAMP TOP  ARKY SE  A	250 994 280 994	8	STRAIG		يروط	AN CH	-	
100 100, -1, 100, -1, 10	9.58 HAT BY CHE 9.73 HAT WEST	MA 96.	200 . 994 200 . 984 400 . 984	8 101 0 84 0 74	BRITISH DENMAN	7 04 05 05 05 05 05 05 05 05 05 05 05 05 05	250 59 75	700 -1	11.29 11.69 12.73 10.93 11.66 11.27	
EDIT 71, 93	9.45 NATWEST T	74 PERP	500 901 100 941	2 2 2	EARKART	CORP 11 92 8 5, 95, 98	50 35	1014	12.75 10.93 11.49	
NOTE   18   19   19   19   19   19   19   19	9.91 NEW ZEALA 0.91 NEW ZEALA	90 OZ	J50 994 .		BIT STAN	(B.5. 95, 99 (D.ELEC 111, 89) MERDEY 111, 95	250 50 50 75 25 25 20 20 20 20 20 20 20 20 20 20 20 20 20	400 Cap	11.27	
190 1004 0 1 57 104 92 50 1004 0 1		SAVINGS 1/18 96	500 991 - 250 991 - 150 991 - 100 991 + 200 991 +		KREDIET LAND SEI	111, 94 BK 101, 92 593, 07 RMAHENT 91, 93	50 50	101 -11 994 -11 984 -1 985 -13 925 -14		
HIGHO 124 91 100 1064 1		PRO 2002 PROBES 94	300 994	矣	MITSUBE SAMESHII	PRIMANENT 91, 93, SHI FIN OHO 12 90, BY 102 PM	50	925 -11	11.2	
200 1000 -4 150 1000 -4	REME OLYM REMFE 98 9.40 SANTA SARS 1.45 SECURITY PA 1.21 SOCIETE GEN 1.14 SOCIETE GEN		250 994 ( 500 994 ( 200 994 ( 100 994 4 256 9772 4 200 993 (	3	WORLD &	SNI FIN 0HO 11 90 NY 103, 93 ARK 104, 69 ARK 114, 95	60 100	1011 -1	11.27	
75 1064 -1	SOOT, MITT, AND SECONDARY PARTY PART	EF 1. 47	100 994 256 9774 +	4		•				
150 1054 -1 1014 90 75 1024 -1	SOCIETE GEN SWEDEN 1/6	ERALE 96	300 905 0 300 905 13 500 100 0		MARKUMT CASIO COA DOWA WITH FILITTA CO	S APUTER	Embr Pals 05/03/85 05/03/85 05/03/90 33/03/91 23/03/92 22/03/92 12/03/92 28/10/92 28/10/92			
114 90 75 1024 -1 77 14 80 77	1.86 SWEDEN 1/6 1.70 TAPIO   DA.: 1.45 TAKUCINI, 9 1.46 CONTED (CINC	7	300 901 10 500 100 0 100 901 0 100 961 0 2.588 100 0	雅	FEUTTA CO	ept	20/87/90 09/09/91	200 43	-1.84 24.57	
100 954 -1 95 101 95	OF UNITED HIS	70591	2,55% 100 a	沒	KINN JUE	WERY	37/07/91 07/05/92		24.57 25.59 -1.63	
K137.89 100 1083 - 7	30 WELLS FARE	4 97	100 973 0 200 973 1 250 975 1 150 985 1 300 974 1	- 2	MINEBEA 1	CO.	2/05/91 2/05/91 2/09/92		7.56 35.61 -0.62	
54 92 150 955 -1 100 100 100 100 100 100 100 100 100	SOCIETE GEN SWEDEN 1A- 170 TANON BE- LANGURY BE- L	14 94 M 07230 97.	200 90 -1 250 974 +4 150 984 +4 300 994 +4	獲	SEKISUI RI SDIANKE N SONY COM	1936	28/10/91 12/09/91	30 - 10 - 10 - 10 - 10 - 10 - 10 - 10 -	45.69 3.05	
100 1694 0 11 1114 90 150 1023 4 9	72 J · ·	• • •	• • • • •	. T	TOYOTA MA	708	12/09/91 	100 100 100 100 100 100 100 100 100 100	-1.89 -2.97 -1.89 -24.41 -1.28	*
190   245   -1   190   194   -1   190	99 CHRESTALE 36 MORE 40 AMERICAN BA	_			,			-71 -5.	-1.26	ŧ
K 83, 96. 415 193, -1, 10 101, 40. 290 1011, -1, 10 111, 98. 290 1012, -1, 1, 1 115, 90. 200 1013, -1, 1, 1 115, 90. 200 1013, -1, 1, 1 115, 90. 200 104, -1, 1, 1 115, 90. 104, 90. 104, -1, 1, 1 115, 90. 104, 90. 104, -1, 1, 1 115, 90. 104, 90. 104, -1, 1, 1 115, 90. 104, 90. 104, -1, 1, 1, 1 115, 90. 104, 90. 104, -1, 1, 1, 1, 1, 1, 1 115, 90. 104, 90. 104, -1, 1, 1, 1, 1, 1, 1 115, 90. 104, -1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	AMERICAIT BA ARGYLL GROUN BOND J TRANC	45 62 E 6 98 E	76 634 -1 60 924 -1 125 100 -21	76.41 51.96	Marka Walikants		Fred.			
134 91 100 1084 1 9 144 69 159 159 161 1 9	CAHON 300	WK47-07	125 1001 - 121 100 2007 - 121 300 1007 - 121 100 2008 - 121 100 2008 - 121 100 200 1054 - 121 200 1054 - 121	216   1	ASSESS CARRY	'41 O As .	29/04/89 	10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Yida	
15 02 150 1164 - 0 18 ANK 84 99 250 941 - 0 18 ANK 94 92 200 981 - 0	FILITSU 399.	7	75 10% - 50, 180 278 - 15	-16.03 -2.67	DEN HORSK DEN HORSK	CREDITAL 95	05/03/00	40 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	8.92 14.27 7.94 8.21	
USANT 91, 92 200 981 -1 47, 16:12:00 75 108 -1 10:10	GRACE (WR) 61	62	100 ML T	194	PENMARK )	E CREDIT 8 94 2 4 92 P CREDIT 12 4 93	31/01/90 21/11/80	277 +10 177 +10 18 +10	7.94 8.21 9.85	
	CASTINAN ROD PO ELDERS TIK 5 9 PO FILITSU 3 99. BE GENALTAS SAI BE GENEL SAI B	12	200 1054 -14 200 1054 -14	-2.16 -20.66 -16.03 -2.67 -2.6		ED 74 42 K	21/1189 17/12/92 11/82/91		9 89 9 18	
9 100 101 0 111 9 290 413 - 91 1,90 200 853 - 91 1,90 200 853 - 101 1,90 200 973 - 102 1,90 20 973 - 102 1,90 20 973 - 102 1,90 20 973 - 102 1,90 20 973 - 102	MCA 54 02 MTSUBISHI BN I NEWMONT MAN	114 02	76 60 624 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			4 96 FIB 124 91 BANK 74 96	017.070 08/11/09 28/01/90	101 0 12 0 12 0 12 0 14 0	8.48 7.45	,
77 355 36 _L 107	I NEW MONT MAN REPORT LECTY MASH HEPPON 2	T. (7)	300 1894 -1, 75 1095 -1, 110 1995 1995 1995 1995 1995 1995 1995	-1.95 H 20,74 R -0.92 W		MADA MKING 124, 92	3/01/90 3/01/90	24 0 0 D	9.13 9.89 9.16 8.48 7.45 10.22 7.80	/
64 % 97 e5 _ 10	MICKEFELLER		752 285 45	-40 JE				U	10.43	7



#### INTERNATIONAL CAPITAL MARKETS

ering

## Canadian borrower holds the limelight

CANADIAN CORPORATE funding vehicle for the mediborrowers have not been frequent visitors to the international loans market, certainly not when compared with their chase Manhattan is raising the quent visitors to the interna-tional loans market, certainly not when compared with their southern neighbours, so the launch last week of a tibn fin-ancing for Canadian Pacific Enterprises caused quite a stir. The borrower is the holding company of Canadian Pacific's non-transport interests The

non-transport interests. The borrowing is being put together by the Royal Bank of Canada, which is syndicating it, with Bank of Montreal and IP Morean as icine. J.P. Morgan as joint arrangers. J.P. Morgan as joint arrangers.
The eight-year facility incorporates a Canadian-style note issuance facility (which involves the issuance of five-year notes with six-month put options) of up to \$300m. The financing, which is over eight years carries a facility fee of 8 years, carries a facility fee of 8 basis points, a margin over London interbank offered rates of 10 basis points for the first three years and 12% basis points for the remaining five.

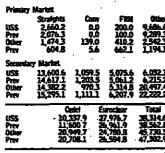
Utilisation fees start at 2½
basis points for drawdowns of

between 34 and 66 per cent, rising to 5 basis points if more than 67 per cent used. The borrowing is intended for use as a standby for other short-term financing programmes, and will allow the

company to reorganise its bank lines of credit. Since the borrower has presumably weighed the costs of alternatives and provided the CP Enterprises deal is adjudged a success, some bankers see Canadian corporate borrowers as the next national group to line up multi-option

Italy's Mediocredito Centrale, the central government

#### EUROMARKET TURNOVER (\$m)



Week to Agenst 25, 1986

financing, which will be drawn down 150 days after signing. The final maturity of the financing is somewhat over seven years, although the average life is shorter, and the margin on the transaction is 15 basis points over Libor for three years and 20 basis points after that. Front-end fees start at 12½ basis points for a commitment of L35bn and co-lead

manager position.
A \$270m financing was A \$270m inancing was signed in London last week for Pohang Iron and Steel, the South Korean steel producer known as Posco, arranged by Citicorp, DKB Asia, KEB (Asia), Mitsubishi Trust and Mitsui Trust. The eight-year loan with a three-year grace period was in three portions: a conventional \$84m loan carrying a spread of 18% basis points over Libor for the first five years and 25 basis points after that; a \$135m full Japanese tax-spared loan carrying a margin of 2 basis points; and a third tranche of a limited Japanese tax-spared loan open only to Japanese banks with Korean offices. It carried a margin of 12% basis points for two years rising to 18% basis points for

the remaining six. Posco, now privatised though still with a 35 per cent government stake, is the first Korean borrower this year to tap the international Ioans market in such size. The South Korean Government is prepaying significant foreign de

Volkswagen is expected to enter the Eurocommercial paper market next month with a programme of limited size, and J.P. Morgan, Deutsche Bank and UBS Securities appointed as dealers.

A \$750m programme for Pos**tipankk**i has been expanded to \$1bn, Yamaichi added as dealer to the three-bank group, a Euroyen option added and the possible maturities extended out to three years. Merrill Lynch arranged the original A \$200m Eurocommercial

paper programme has been

for Fujitsu International Finance, with a sterling option.

Stephen Fidler

by Kleinwort Benson

#### INTERNATIONAL BONDS

## Heavy demand depresses yields on Eurodollar issues

supply of new dollar Euro-bonds has fallen short of the demands of international bond investors clamouring for the combination of high coupons and currency gains that dollar

securities promise.
Indeed, this demand last week pushed Eurodollar bond yields to their lowest level over comparable US Treasury securities in more than a year, wbile several new issues emerged and more borrowers lined up to tap the markets.

Last week, five borrowers together raised \$950m, cer-tainly the most active week in this currency in some time. The activity is even more unusual considering it occurred during what is tradi-tionally the slackest period of

the year, Christmas apart. Two banks, one Japanese and the other French, are said to have assigned mandates for dollar Eurobonds and a long-standing offering for Qua-tas, the Australian airline,

remains pending.
Indeed, several institutional investors say they have put off buying dollar Eurobonds because spreads have become so tight there is simply little value to be earned by buying

Ford Motor Credit Corp

**NEW ZEALAND DOLLARS** 

Toshiba Int. Fin. D-MARKS

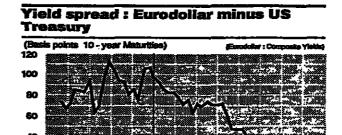
demand for five-year dollar bonds has been heavy from Japanese portfolio managers who have viewed the stable dollar/yen exchange rate in recent months with relief.
Nomura International last

week was able to place in Japan about a third of a \$200m seven-year offering for a unit of Banca Nazionale del Lavoro, a name that, in Europe, does not sell as well as some other government-owned banks. "Last year these investors wouldn't touch a dollar bond

with a barge pole," said one portfolio manager. But whether that kind of demand can continue in the face rising interest rates around the globe and an expanding US economy is an open question.

"Our general view is although investors have a lot of cash to put into the market, the dollar is a currency that has to depreciate," said Mr Simon Hard, branch manager at Julius Baer Investment Management His portfolio has now been slightly under-weighted in dollars after having been slightly overweighted until recently.

Rates in the US are expected



**NEW INTERNATIONAL BOND ISSUES** 

to rise in order to choke off the kind of overheating that was demonstrated by last week's revised second-quarter GNP deflator. Instead of the 4.1 per cent originally reported, the deflator grew at a 5.1 per cent rate, suggesting that inflation is on a genuine upswing.

Institutional investors have been buying dollar bonds all year, partly because any capi-tal losses caused by rising US interest rates could be more than offset by capital gains from the dollar's appreciation. But now, the US's major trading partners seem deter-mined to hold the dollar in check. In addition to a half-

Source : Month Lynch Canital Markets point increase in the Bundes-bank's key discount rate, Mr Karl Otto Poehl, Bundesbank president, delivered an uncharacteristic broadside to the US currency, pronouncing it out of line with what had been agreed to by the Group of Seven nations in the Louvre Accord.

Furthermore, he said, its strength threatened to undo all the progress to date on redress-ing world trade imbalances. But there is a large enough body of investors who, at least for the the present, want new issues of dollar-denominated bonds to keep coming.

If anything, investors

bemoan the absence of high-

saying that some of what has been offered is not of a sufficient standard to meet their

clients' guidelines.
"Our clients are much more tikely to demand quality now than they were a few years ago," said Mr Christopher Allen, a portfolio manager at Nomura Capital Management Inc. While the quality of a borrower is frequently easily measured by a public credit rating liquidity is more difficult to

gauge. While the size of an issue is often a good guide to liquidity, the make-up of a management group must also be taken into consideration, say portfolio managers. Institutional investors worry about bonds per-forming poorly because they are left on the books of under writers, or because they will be locked in the portfolios of retail clients who will not trade them.

Liquidity appeared the goal of several issues launched last week on Friday, J.P. Morgan Securities increased for the second time its 9½ per cent seven-year bond issue for AAA-rated Electricité de France, guaranteed by the French Government.

Also on Friday, Swedish Export Credit issued a \$200m three-year bond via IBJ International with a 9% per cent coupon priced to yield 42 basis The four Japanese firms which underwrite equity warrant Eurobonds plan to offer an abbreviated calendar of new issues until the end of Septem ber. While plans have not taken the form of the more formal moratorium earlier this summer, the firms agree that the securities cannot be offered in current conditions at a level

borrower and underwriter. Coupons on securities issued last week ranged from 4% to 5% per cent, a level which after proceeds are swapped into yen, is only marginally more attractive than tapping the yen bond markets outright Nomura International is

expected to offer two issues this week, each for \$50m with coupons above the 5% per cent seen on its most recent small deals. Daiwa Securities is expected to offer four new deals - two for over \$200m over the next two weeks.

**Euromarkets Staff** 

#### US DOLLARS Kinki Nippon Railway\* Jujo Paper Sumitomo Metal Ind. Venezuela (a) \*\*The Communication of the Communication of Nomura Int. Nikko Secs (Europe) 200 500 100 200 100 1992 1992 1993 Daiwa Europe Samuel Montagu Daiwa Europe 1982 1992 100 Yamaichi int.(Eur) Yamaichi int.(Eur) Iwatani Int. Corp. Tokyo Tatemono Co Tokyo Keiki Co.∳∳ 100 50 50 1992 1992 Nikko Secs (Europe shima Textile\* Nomura Secs. 101.45 IBJ Int. itomo Bk Cap Mikts● 101.35 Royal Trustco (e)◆ Lavoro Bank O'seas◆ 100 ¼ 101 ¾ 1991 1995 Merriii Lynch Nomura Int. Daiwa Europe Hankyu Corp. • Nissho Corp. • Itoman & Co. • 1992 1992 1992 1993 100 100 100 100.10 Nomura Int. Nomura Int. Yamaichi Int.(Eur) Sabre IX (h)‡∳ Swedish Export Credit∳ 9.0 Canadian dollars Chase Inv. Bank Amro Bank 10.3 State Bk Sth Australia◆ Akzo 🏟 AUSTRALIAN DOLLARS 12.7 NordLB Luxembourg♦ Sanwa Australia‡♦

Wood Gundy

Bayerische Vereinsbik

ter yield %	Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Price	Book runner	Offer yie
	SWISS FRANCS							
5.625	Telkoku Sangyo Co.★★◆◆	60	1993		134	100	Credit Suisse	1,7
4.750	Aoyama Trading Co.★★§◆	140	1993	-	38	100	SBC	0.3
4.750	Thesing Int.Fin.(d)#	25	1993	-	$(3^{1}2)$	(100)	TDB Amex Bank	
4	ABS Pumpen (d)★★◆◆	25	1993	-	3,4	100	Bank Julius Baer	3.2
4.750		40	1993	-	(12)	100	Credit Suisse	
4.750	Showa Tansan Kaisha + +§	25	1993	•	( <sup>1</sup> 2)	100	SBC	
4.750 5.125	Tobishima Corp.★★§	300	1983	-	(12)	(100)	Citicorp Inv. Bank	
5.125	Toyo Communication**§	70 35	1993 1993	-	(12)	(100)	B.della Sviz.Italiana	
9.176	Energy Support Corp.*** Kanebo Ltd.***	200	1993	:	( <sup>1</sup> 2) (1¾)	100 100	Bank Julius Baer SBC	
9.206	Namedo Lalary	200	1555	-	(14)	100	360	
9.026	STERLING							
9.645	Alliance & Leic.(m)‡	200	1993	5	18	100	UBS (Secs)	
*	LUXEMBOURG FRANCS							
÷.	Club Mediterranee★★◆	300	1990	2	74	1001 <sub>8</sub>	Kredietbank Int.	7.1
9.006	FRENCH FRANCS							
0.000	Commerzbank O'seas Fin.♦	500	1992	4	9	701 <sup>5</sup> 8	Credit Lyonnais	8.50
	DANISH KRONER							_
	Nordic Inv. Bank	300	1991	3	0	78 <sup>1</sup> 4	Den Danske Bank	8.5
10.369	YEN							
10.443	Toronto Dom, Bank(b)◆	4bn	1992	4	712	101 5 <sub>8</sub>	Goldman Sachs Int.	7.0
	Toronto Dom. Bank(c)+	5bn	1992	4	40bo	101%	Nippon Credit Int.	
12,762	Bank of Greece	20bn	1998	10	5.9	101	Daiwa Secs.	5.89
12.00	CITIC (g)♦	15bn	1993	5	5½	101 %	Nikko (Singapore)	4.8
12.629	ONGC of India	20bn	1998	10	5.9	10012	Nomura Secs.	5.9
IE-UES	Bergen Bank (i)◆	6bn	1993	5	7	101 🖟	County NatWest	6.5
	Girozentrale-Vienna(k)†	10bn	1995	7	-55bp	100.35	IBJ Int.	
13.203	*Not yet priced. **Private place Redemption linked to Nitikel stock if (company goes public, e) To bec	index. c) 400;	over Japane	se long-term	n prime rate. 1	Redemption	n linked to Nikker stack index	di With warrar
<del></del>	25bp over 6m Libor - becked by ex Japanese long-term prime landing	warrant bork	s.   Bull/bea	r isaue Y3b:	each tranche	. Redempt	don linked to Nikkei stock ind	SOL k) 5500 bek

# it portrollo insurance and yield come First,

# call First Interstate.

With over 5 years' experience working with Fund Managers in the United States, First Interstate has developed an unusual expertise in tailor-made risk management products - an expertise that is proving of increasing value to the current investment market.

For example, our Variable Quantity Options are growing in popularity with U.S. Fund Managers - we have transacted more than US\$2bn since their inception a year ago. Their attraction lies in the effective way they enhance yield on fixed income portfolios, and the effective way they reduce risk through option based portfolio

If you're seeking to add these dimensions to your portfolio. you now know who to call first. First Interstate: Nick Kibblewhite or Joe Noite on 01-836 0334 or 01-379 0557.



enhancement

Nomura Bank International plc

**NOMURA** 

This announcement appears as a matter of record only

ALLIANCE LEICESTER

**Alliance & Leicester Building Society** 

£20,000,000

**Medium Term Loan Facility** 

Arranged and Provided by

July 1988



Co-operative Insurance Society Limited

£15,000,000

Medium Term Loan Facility

Arranged and Provided by



Nomura Bank International plc

August 1988

FIRST INTERSTATE BANK OF CALIFORNIA, FIRST INTERSTATE HOUSE, 6 AGAR STREET, LONDON WC2H 4HN

## INTERNATIONAL CAPITAL MARKETS AND COMPANIES

#### **UK** banks urged to use Basle concession

By David Lascelies, Banking Editor

UK BANKS should consider making use of a concession granted by the Basic Committee in its recent definition of capital adequacy, according to Salomon Brothers, the US investment banking group.

The committee agreed to allow banks to include non-cumulative preference shares in their core capital, the key element of the balance sheet

which determines how fast banks can grow. Although this concession was made with a view to US banks which have made use of this form of capital, Salomon believes UK banks could take advantage of it as well. Mr William Vincent, the firm's banking analyst, says in a new report that this form of capital has three advantages:

banks could issue it in currencies other than sterling and thereby diversify the currency mix of their core capital.

the proceeds of such an issue could be used to boost Third World debt provisions

without affecting banks' capital ratios. preference shares would enable banks to improve their capital position without tapping the equity market.
Mr Vincent says that the absence of a developed market

in non-cumulative preference shares in the UK might appear to be an obstacle. But he points out that the market for perpetual floating-rate notes grew from nothing to tens of billions of dollars in

only a few months in its hey-day two years ago. To qualify as core capital, the Basle Committee said the preference shares must be non-cumulative. This means that the issuer has no obliga-tion to make catch-up payments if dividends are inter-

rupted for any reason. The committee reasoned that this made them similar to equity. Mr John Ginarlis, banking analyst at Banque Paribas Capital Markets, proposes that banks should announce a 10year moratorium on new equity and loan stock issues in order to help boost the bank share sector, which has been depressed by expectations of heavy capital demands.

## Italian bank withdraws from Irving bid battle

By James Buchan in New York

THE YEAR-LONG campaign by Bank of New York to take over its cross-town rival, Irving Bank, was boosted yesterday with the news that Banca Commerciale Italiana (Comit) had withdrawn as Irving's defen-

Stock in Irving rose \$1% to \$68% on the news yesterday morning. Wall Street believes that Irving, which has dog-gedly resisted BNY's approaches since last Septem-ber, will be forced by the Milan bank's defection into entertaining its Manhattan rival's offer, currently worth \$1.3bn or about \$71 a share.

Banca Commerciale's decision to drop its \$840m plan to take a 51 per cent stake in irving had been expected on Wall Street since a dramatic and politically troublesome inter-vention by the US Federal Reserve 10 days ago. The Fed, which regulates the US banking industry, told Banca Commerciale on August 19 that it considered the group's Italian state parent, Iri, as a bank holding company under US

Therefore, the Fed said, Iri must supply financial informa-tion on its far-flung industrial and commercial operations. Banca Commerciale said yes-

terday: "As a matter of Italian law, in is a government instru-mentality and not a company and, therefore, it would be inappropriate for it to file with the Fed."

Comit's decision leaves the initiative firmly with BNY, which has pursued Irving despite repeated setbacks in market. BNY is currently offer-ing \$15 in cash and 1.575 of its own shares for every Irving share, or about \$71, while Comit offered \$84 a share for 51

per cent of Irving.

John Wyles in Rome adds: The
unexpected end to Comit's hid for Irving has left some bitter-ness in Italian banking circles at what is being seen as a blatantly protectionist use of the Bank Holding Act by the Federal Reserve. Its most obvious impact could be to prevent four of Italy's most important banks from acquiring banking assets

in the US. Comit, Banca di Roma, Credito Italiano and Banco Santo Spirito are all controlled by Iri, aithough the holding company maintains they have absolutely independent management.

## Judge in surprise Ariadne deal

MR BRUCE JUDGE, the New Zealand entrepreneur pulverised by last October's stock-market crash, has acquired a 19.9 per cent stake in Ariadne. formerly his principal Austra-lian company, through a sur-prise deal with Mr Larry Adler's FAI Insurances. An FAI announcement to the

stock exchange yesterday said it had sold 146m of its 196.4m Ariadne shares to Mr Judge's Magenta Holdings for 58 Australian cents a share - fully three times the ruling market

price of 19 cents.

FAI acquired the 146m shares as the huge shortfall of a one-for-two rights issue by Ariadne which FAI underwrote earlier this year at 50 cents a share. It picked up its remaining holding separately.
Initial reaction to yesterday's deal was mystification, particularly over the price paid for the block of shares. The A\$84.7m (US\$68.9m) proceeds will leave FAI with a clear profit on its involvement in

FAI was quoted as saying it had decided to sell the shares after Ariadne's other principal shareholder, the Bank of New Zealand, decided not to support two alternative share issue proposals designed to raise at least A\$100m. FAI indicated it least A\$100m. FAI maderwrite had been willing to underwrite

Magenta was said to have paid an initial cash deposit of A\$4.7m for its shares. Another A\$50m is due within 15 days. At that point Mr Adler's representatives on the board are expected to stand down.

board in March, when Mr Judge resigned and Ariadne disclosed one of the largest corporate losses the country had seen – a net deficit of A\$509m for the six months to December Ariadne had complicated

financial links with Judge Cor-

poration in New Zealand and the associated Impala Pacific in Hong Kong, and with a net-work of other companies. The proceeds of the rights issue underwritten by FAI, for example, went towards a A\$160m purchase of shares in Renouf Corporation from FAL

This concluded a contractual obligation arising from a put option agreed just before the crash, when FAI had acquired the Renouf shares. The Renouf share price later fell to a frac-

## Gambro 17% ahead at halfway stage

GAMBRO, the Swedish manufacturer of kidney dialysis and intensive care equip-ment, showed a 17 per cent rise in profits (after financial items) to SKr146.7m (\$22.9m) in the first six months of this year. Sales increased by 9 per cent to SKr1.42bn, writes Sara Webb in Stockholm. Gambro expects the "favourable income trend"

to continue during 1988. Profits were held in check by the group's lossmaking operations in the US, where Gambro and Hospal, the recently acquired Swiss-French kidney dialysis company, both home cribidianies

have subsidiaries. Gambro said it was merging the two subsidiaries and would implement a cost-cutting pro-

gramme in the US aimed at trimming the overheads and overlapping administration. It expects the US business to return to profit in 1989.

Otherwise, Gambro said the merging of its operations with those of Hospal were going according to plan and that developments in the European market were favourable.

#### **Directors** go in Nikko **Securities** shake-up

By Ian Rodger in Tokyo

NIKKO SECURITES, Japan's third largest securities group, has carried out a major shuffle of top management and an internal reorganisation that has seen the departure of Mr Tadao Kobayashi, executive vice-president, and seven other

Nikko said the moves were aimed at rejuvenating management and tightening adminis-tration. They follow an almost identical shake-up at Nomura.
Securities, the leading Japa-nese broker, last November, when eight ageing directors were eased out in favour of

The Nikko moves come at a difficult time for Japanese stockbrokers. They are facing stockbrokers. They are facing increasing pressure to take steps to prevent improprieties in operations, such as setting up "Chinese walls," and procedures to stop insider trading.

As part of the Nikko reorganisation

ganisation, a new corporate fund management department has been set up to prevent pos-sible leakage of corporate

information.

Nikko is the lead broker for Sankyo Seiki, the company in the middle of a scandal over purchases of its shares by some of its employees and others in advance of a purchase by Nippon Steel of 18 per cent of Sankyo Seiki shares.

Also, the big brokers are about to complete their fiscal years to September. Nikko is among those expected to report reduced profits.

#### First Boston. Crédit Suisse consider link

FIRST BOSTON of the US and Crédit Suisse of Switzerland credit Suisse of Switzerland confirm they are discussing the creation of a global invest-ment banking firm by combin-ing the businesses of First Bos-ton and Financière Crédit Suisse First Boston, jointly owned by the two companies, into a single private company, writes Janet Bush in New

The deal would involve the buyback of First Boston com-mon shares owned by the pub-

## Rembrandt details non-S Africa moves

By Jim Jones in Johanessburg

REMBRANDT, the South African tobacco and liquor group, is to hive off its non-South African assets into a Luxembourg company which Luxembourg company which, in turn, will be wholly-owned by a Swiss holding company.

The separation of the com-

pany's international operations, which account for some 45 per cent of group profits and include a one-third share in Rothmans International in the UK, from its South African businesses was first announced earlier this

The move is designed to lay the ground for further develop-ments in Europe as 1992 approaches and to ensure that control of the highly secretive Rembrandi group remains in the hands of the founding Rupert and Herizog familles.

Mr Johann Rupert, a director of Rembrandt, yesterday described the reorganisation as complicated and said that it was designed for tax efficiency - to limit the effects of with-

company incorporated in Luxembours. Richemont will be merged with another managemerged with another manage-ment company, Business Con-trol, and Richemont's voting shares will be wholly-owned by Compagnie Financière Richemont (CFR), a Swiss-reg-

istered company.

Mr. Ropert said Richemont,
which will have no South African assets, will be the operating company and develop the ing company and the test and interests, financed when necessary by the issue of CFR's paper. This will be done in a way that

will be done in a way that ensures the interests of the A and B shareholders are diluted in equal proportions.

For the year ended March 1988, the Rembrandt group made a pre-tax profit of R624m (\$259m), up 28 per cent on 1986-87. Analysis believe the group's international portfolio, which includes huxury branded products like Dunhill and Cartier, to be worth around \$1bm.

The restructuring involves putting Rembrandi's interest

### Samancor to increase ferro-chrome capacity

By Our Johannesburg Correspondent

SAMANCOR, South Africa's largest ferro-alloys maker, reports higher first-quarter

reports higher first-quarter profits and plans to increase its ferro-chrome capacity. The company also says it is considering establishing a stainless steel manufacturing facility.

The company is to add a further 60,000 tonnes capacity to its 49 per cent-owned Tubatse ferro-chrome plant by the third quarter of next year. Tubatse's present annual production capacity is 150,000 tonnes, which is to be increased to

210,000 tonnes when another furnace is brought on stream in the first quarter of 1989. Higher ferro-chrome, ferromanganese and manganese ore prices combined with a weak-ening rand and stronger demand to lift first-quarter turnover to R293m (\$121.6m) from R204m in the corresponding 1987 quarter. Pre-tax profit was R98.2m against R55.5m. Group turnover totalled R913m in the financial year

ended March 1988 and the pre-tax profit was R234m. Finnish bank lifts profits

UNION BANK of Finland (UBF), one of Finland's two-leading commercial banks, reports consolidated pre-tax-profits of FM742m (\$167m) for the first six months of 1988, up 17 per cent on the same period in 1997, writes Olli Virtanen in Helsinki. Profit after tax rose by FM98m to FM657m.

The improved result, said Mr

at year level was 15.1 per cant, which compares with 13.5 per cent at the end of the year. Consolidated earnings per share for January-June stood at FM2.42, up from FM2.26 a year earlier.

#### **GB-Inno boosts** stake in Scotty's

By William Dawkins in Brussels

GB-INNO-BM (GIB), internationally ambitious Belgian supermarket group, yes-ferday announced it had increased its stake in Scotty's, the Florida-based chain of home improvement stores. from 29.3 per cent to 42.7 per

GIB, Belgium's largest super-market group, paid BFri 2bn (\$30.6m) cash for the shares. They were sold by 70-year-old Mr James Sweet, who founded Scotty's in 1924 and has now retired from the board. Following his departure. Scotty's board is joined by Mr Diego de Monceau, managing director of GIB, and Mr Ron Rashkow, president of Handy Andy, another US home improvement group, in which GIB has a 65

per cent stake.
"This represents a significant reinforcement of the GIB group's position on the US home improvement market," said the Belgian company. Scotty's has 156 stores, which turned over \$550.8m in the year anded July 1988, 7 per cent up on the previous 12 months. Scotty's net profits rose 70 per cent to \$17.5m over the same period, including a \$6.4m exceptional gain.

GIB started investing in Scotty's in 1979; since then it has steadily increased its initial 15 per cent stake. The Bel-gian company numbers among its other foreign home improvement investments a 25 per cent share in Home Base in the UK, a joint venture with J. Sainsbury; 35 per cent in Obi of France; and 51 per cent in Bricob of Spain, trading under the name, Ald.

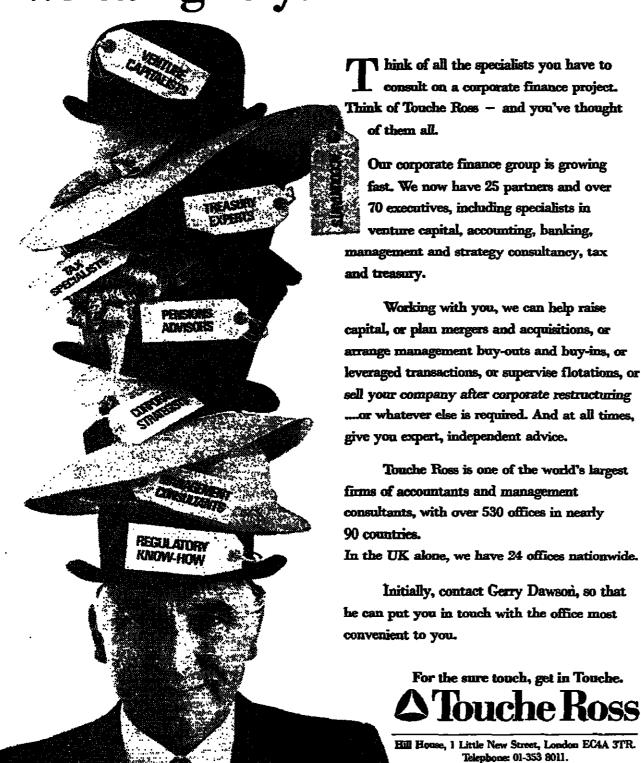
医肾髓 医骨髓

#### **US bank sells** Belgian unit

CONTINENTAL Illinois National Bank's Belgian sub-sidiary is being sold to Banco Hispano Americano of Spain and BACOB Savings Bank of Belgium, writes our Financial Staff.

Banco Hispano is acquiring 75 per cent of the unit and BACOB the remaining 25 per cent, said a joint statement. No terms were disclosed.

# Corporate Finance. We can give you a head start.



hink of all the specialists you have to consult on a corporate finance project. Think of Touche Ross - and you've thought

Our corporate finance group is growing fast. We now have 25 partners and over 70 executives, including specialists in venture capital, accounting, banking, management and strategy consultancy, tax and treasury.

Working with you, we can help raise capital, or plan mergers and acquisitions, or arrange management buy-outs and buy-ins, or leveraged transactions, or supervise flotations, or sell your company after corporate restructuring ....or whatever else is required. And at all times, give you expert, independent advice.

Touche Ross is one of the world's largest firms of accountants and management consultants, with over 530 offices in nearly 90 countries.

Initially, contact Gerry Dawson, so that he can put you in touch with the office most convenient to you.

For the sure touch, get in Touche.

Hill House, 1 Little New Street, London ECAA 3TR. Telephone: 01-353 8011.

All these securities having been sold, this announcement appears as a matter of record only. New Issue

August, 1988



MITSUBISHI ESTATE COMPANY, LIMITED

U.S.\$150,000,000

93/8% Notes Due 1993

Issue Price 101¼%

The Nikko Securities Co., (Europe) Ltd.

Mitsubishi Finance International Limited

J. P. Morgan Securities Ltd.

**BNP Capital Markets Limited IBJ International Limited** 

Deutsche Bank Capital Markets Limited Morgan Stanley International

SBCI Swiss Bank Corporation Investment banking J. Henry Schroder Wagg & Co. Limited Yamaichi International (Europe) Limited

#### **UK COMPANY NEWS**

# Switchback from Docklands to Piccadilly

David Waller reckons Trilion should market the rights to its short but chequered rise

rs Margaret Thatcher,
January 29 1987: "I'm
so glad this party, this
great party to launch this great
venture is being held in the
Limehouse Studios. I came here Limehouse Studios. I came here about 18 months ago, when I was going around Docklands and I was absolutely thrilled and fascinated with it. It reminded me very forcefully of everything we have tried to do, of my fundamental belief that if governments create the background and we free things up as ground and we free things up as much as possible, then the great talents and abilities of the Brit-ish people will take over."

otty's

के विद्यार होते ह lytan mir

1111

- 3

Those working at Trilion — the company which owns the Limehouse Studios — may be forgiven for viewing the Prime Minister's words with some scepticism.

Within six weeks of her speech - given at the launch of Superchannel - Trilion had received a letter from the London Docklands Development Corporation which threatened to bring an end to this particu-lar bastion of British enter-

prise.
The letter, from the LDDC's property director, said simply that the Corporation was going to make a compulsory pur-chase order to buy the former banana warehouse in which Limehouse had so bravely made its home only a few years previously. The trouble was that the Limehouse Stu-dios sat bang in the middle of the £3bn, 12m sq ft Canary Wharf development. And so Limehouse found itself being hounded out by the very body

which had so assiduously wooed it to Docklands in the

first place.

This week this episode in the Trilion saga will draw to a close. The company is expected to announce a £25m deal with Olympia & York, the Canadian property company responsible for the Canary Wharf project. Trilion will have until the middle of wast Meanly to a property of the control of t dle of next March to remove itself to its new premises in the Trocadero Centre, Piccadilly Circus. Although the sum involved

is approximately twice the Stu-dios' book value, this should not be attributed to a fit of generosity on the developers' part. Apparently, Trilion's legal adviser struck up a con-versation with a labourer on the site, who passed on a vital piece of information — namely, that building on the vast project would soon have to come to a halt unless the contractors obtained access to Trilion's land. Trilion found that it had O&Y over the proverbial barrel, and a settlement was soon forthcoming.

The latest events are entirely in character with Trilion's brief and colourful stock-mar-

Every conceivable problem that could beset a small company has visited Trilion since it joined the Unlisted Securities Market in the summer of 1985. This is somehow appro-priate for a company which makes Spitting Image and the Channel 4 Business Pro-gramme: the Trilion saga would make a gripping TV programme in itself.
The tale began three years ago when the small company made a promising market debut, supported with a special of the support of the £590,000 pre-tax profits forecast for 1985, which it duly over-took. It continued with a spats of ill-conceived acquisitions, a dramatic lurch into losses (of no less than £5.6m for 1987, on turnover of £16.9m) and the resignation of the founding directors. All the while, a double sub-plot was rumbling on in the background, involving

developer.

Trilion was one of a clutch of. small entrepreneurial TV facil-ities companies to come to the

Antipodean corporate raiders and the Canadian property

Of these, only one can really be said to have mastered the notoriously volatile and com-petitive facilities market and to have turned itself into a powerful, growth company. That company is Mr Michael Green's Carlton Communications, now capitalised at over £500m on the main market. Others - like Television Services International and Trilion itself - suffered a chronic lack of financial control and

plunged into losses.

That much is obvious from the bare bones of the chronology. After buying Limehouse for £5.2m in June 1986, and Viewplan, a TV equipment hire company, for £5.7m the following November, Trilion reported presery profits of £926,000 for pre-tax profits of £926,000 for the year to October 1986. On February 19 1987, Mr



Keith Wilkinson - Trilion is about to enter a rosy phase

Steve Lakin, the former managing director of Viewplan, resigned after less than two months in the job. His share stake ended up with Charter-hall, the UK vehicle of Australian investor Mr Russell

Mr Peter Crook, Trilion finance director, resigned on April 1. On May 13, Trilion reported pre-tax losses of £996,000 for the six months to April 1987. Precisely a week later, Mr Bill Hope and Mr Barry Sheffield, respectively chairman and managing director, and founders of the company, resigned, and their 15 per cent stake was placed. A bald statement said only that they had "left the company by

mutual agreement in order that they may pursue other interests". the balance sheet remained in a parlous state: in May 1987, borrowings of £17m amounted to some nine times shareholder Even now, Trilion will not

comment on the circumstances their departure. Curiosity Enter Brent Walker, the leican be partially satisfied by a look at the accounts for 1987. sure and property conglomerate run by Mr George Walker, the former pugilist. It bought Charterhall's stake in Septem-On turnover of £16.9m, the company mustered a trading profit of £702,000, eliminated by an exceptional loss of £2.63m ber 1987 for about £12m. Quite what plans Mr Walker had for arising from abnormal bad debt provisions, losses on the outside broadcast business and termination costs. Moreover, Trilion were obscure, and remain so. He joined the board in May, and his company sup-ported a £17m rights issue to there was an extraordinary charge of £2.71m for trading put Trilion on a sound finan-cial footing. He also undertook losses, reorganisation costs and write-downs of leasehold the negotiations with O&Y, and it is within Brent Walker's improvements. In total: losses Trocadero Centre that Trilion of nearly £5.6m after tax and extraordinary items. will be housed.
Is the Trilion saga about to

What is more, by way of a prior-year adjustment, the accounts annulled the £926,000 enter a rosy phase? Both Mr Walker and Mr Wilkinson believe so. The word Mr Wilprofits reported for 1985-86.
The accounts also show a kinson uses is flexibility. Indeed, Trilion seems well placed to exploit a burgeoning complete change in the company's advisers: the auditor was now Ernst & Whinney independent sector.
Of its turnover, 35 per cent comes from London facilities rather than Finnie & Co, and Hoare Govett had replaced

(such as editing suites and outside broadcasting units); 35 per cent from equipment hire (cameras, video recorders, monitors and the like); 15 per cent from production; and 15 per cent from facilities in the

All this emerged only in March this year. In the mean-What is more, the timing of the Limehouse settlement is excellent. It will give Trilion plenty of time to decide which time, Mr Wilkinson and Mr Ian Reed, group managing director, had struggled to rationalise the business, Canary Wharf had turned into a building site and Charterhall had increased its way to jump in the aftermath of the Government's White Paper on the broadcasting

#### **AAF** profit climbs to £6.7m halfway

IN THE first half of 1988 AAF Investment Corporation lifted its pre-tax profit by £1m to £6.67m. The gross interim dividend is to be 2.5p, up 1p. Investment Corporation lifted its pre-tax profit by £1m to £6.67m. The gross interim dividend is to be 2.5p, up 1p.

Last June the company sold its South African investments by disposing of its 50 per cont

by disposing of its 50 per cent stake in Hunts to become an international investment arm for the South African industrial conglomerate FS Group. Investments in South Africa were in tyre manufacturing, industrial rubber products, dis-

tribution of hand tools, motor vehicles and spares, and property.
The company had already made a start to international

expansion when it acquired 23.75 per cent in Beatson Clark,

The directors said they were

actively reviewing new invest-ment opportunities. Turnover for the half year moved up from £83.67m to £98.68m, producing an operating surplus of £7.14m (£6.35m).

That was backed up by a cut in interest charges to £463,000

After tax £2.48m (£1.9m) and minorities and preference divi-dends £2.8m (£2.54m), net attributable revenue came to £1.38m (£1.2m). Earnings dipped to 8p (8.3p).

#### Tony Clegg has brain operation

Mr Tony Clegg, the chairman of property group Mountleigh, is convalescing in the south of France, following an operation

late last week. Mr Clegg was said yesterday to be "improving" after an operation to remove what was understood to be a benign tumour on his brain. Mountleigh's annual report and accounts are due to be published this week.

The lottowing companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not evaliable as to whether the dividends are interims or lines and the subdividends are interims or lines and the subdividends ahown below are based mainly on last year's timetables.

#### FT Share Information

The following securities were added to the Share Information Service in Saturday's edition:
City Gate Estates (Ord. & Cum.

Pref.) (Section: Property).
Dunloe House (Property).
English & Overseas Properties (Property). Jurys Hotel (Hotels).

Marshalls Halifax 6.5p Conv. Cum. Red. Pref. (Buildings). Palmerston Holdings (Property). Unidare (Electricals).

**BOARD MEETINGS** 

# Uncertainty at a time of substantial transformation

James Buxton on the mystery surrounding Charterhall's 22% interest in A. Goldberg and Sons

ARK GOLDBERG, chairman of the Glasgow-based stores group which bears his name, might have been expected to lose some of his customary friendliness in recent weeks. Mr Russell Goward, the Australian entrepreneur, has 22 per cent of A. Goldberg and Sons through his investment vehicle Charterhall - but his intentions are far from clear. Uncertainty is particularly unwelcome for A. Goldberg at the moment since it is at a delicate stage of a substantial transformation of its activities.

retains, at least in public, the patience and urbanity that explain why he is one of the best liked figures in the Scot-tish business community.

All he will say about Mr Goward is that he thinks some of his recent statements were "not terribly responsible." Earlier this month Mr Goward appeared to suggest, in differ-ent interviews with two Scot-tish newspapers, that he would be prepared to make a hostile bid for Goldberg if he was not

In fact Mr Goldberg, the table to gain control with the to meet Mr Goward. A. Goldberg to run the 50-year-old business,

After A. Goldberg's advisers,

After A. Goldberg's advisers,

After A. Goldberg's advisers, Noble Grossart, took the mat-ter up with the Takeover Panel, Charterhall stated that it had made no decision about its stake in Goldberg. It was keeping its options - whether to make a bid, hold the invest-

ment or sell it. "It's unfortunate," says Mr Goldberg. This sort of situation creates uncertainty and diversion of effort." He says it is not in shareholders' interests for the company to lose its independence and has no plans

Britannia Arrow

metamorphosis of the company.

A. Goldberg used to be a general retailer operating down-market department stores in most Scottish cities and relying for much of its appeal on its Style credit card business. Though it developed a line of fashion shops called Wrygges for women, followed, for men, by Wrygges Man, it needed to adapt faster as traditional department stores went out of vogue. In 1985 it decided to

concentrate on retailing rather than credit and sold 60 per cent of Style to the Royal Bank of Scotland.

Capel-Cure Myers as broker. In

the audit opinion, Ernst &

Whinney reported that "cer-tain significant subsidiaries did

not keep proper accounting

records during the year".

Since then A. Goldberg has concentrated on its specialist, fashion shops aimed primarily at young people. Wrygges is a good source of profit and accounted for £21m of the company's £51.5m turnover in the year to March 26 1988; it is opening up in towns in England, coming to Oxford Street in October. In 1987 Goldberg bought 90 per cent of Schuh, an inventive shoe retailer which is being expan-ded alongside Wrygges. It also has a 50-50 joint venture with

Ted Baker, a specialist shirt-Last year Goldberg made pre-tax profits of £3.2m, an increase of 17 per cent on the previous year, but analysts are predicting a more modest increase to about £3.6m this increase to about £3.6m this year. It will no longer have the £1.1m contribution to profits it got last year from Style, the remaining 40 per cent having been sold to the Royal Bank. Nor will it yet get the full benefit of the investment in new stores it has been making a it stores it has been making - it has spent £10m since 1986 and

has spent flow since 1886 and is investing fom this year. Further, though the traditional Goldberg stores are being transformed to appeal to what Mr Goldberg calls the post-Wrygges woman, the com-pany has still to realise the development potential of its freehold properties in Glasgow and Edinburgh. Analysts argue that Gold-

berg has good growth potential in the medium term but admit that it is currently vulnerable. Mr Goldberg can take some

comfort from the fact that his family hold 18 per cent of the equity and he believes that at least two of the institutional shareholders, Scottish Amicable and Scottish American Investment Trust, with 12 per cent between them, are likely to stay loyal, as might individual shareholders, with about

ten per cent. Sympathetic analysts question what Charterhall - which recently moved into shoe retailing - can contribute to Goldberg that Mr Goldberg is not already giving it. But while Charterhall's intentions are shrouded in mystery, the question may never have to be put.

Appears every Wednesday and Thursday for further beformation call 01-248 8000

Tessa Taylor ext 3351 Deirdre Venables ext 4177 Paul Maraviglia ext 4676 Elizabeth Rowan ext 3456 Patrick Williams ext 3694 Candida Raymond ext 4657

Eurofinance N.V. (incorporated in the Nethe limited inbility) £200,000,000 Guaranteed Floating Rate Notes due 1996

Notes due 1996
For the three months August 26, 1988 to November 25, 1988 the Notes will carry an interest rate of 12.3125% p.a. with a Coupon Amount of £153.07 in respect of £5,000 nominal of the Notes and £765.33 in respect of £25,000 nominal of the Notes payable on November 25, 1988. ank, N.A. (CSSI Dept) on, Agent Bank

PERSONAL COMPUTERS & SOFTWARE The Financial Times proposes to publish this

Wednesday 14th September 1988

survey on:

TODAY

Macsonews (Sernard)
Savoy Hotel
Savoy Sav

For a full editorial synopsis and advertisement details, please contact:

> MEYRICK SIMMONDS on 01-248 8000 ext 4540

or write to him at:

Bracken House 10 Cannon Street London EC4P 4BY

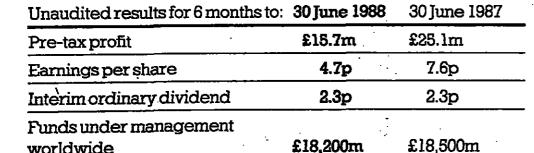
**FINANCIAL TIMES** 

## Lives XIV Limited (Incorporated with limited liability in the Cayman Islands)

U.S. \$50,000,000

Series A Secured Floating Rate Notes due 1992 Notice is hereby given that for the period 25th August, 1988 to 27th February, 1989, the Notes will carry an interest rate of 9.2925% per annum with a coupon amount of U.S. \$48,011.25 per U.S. \$1,000,000 denomination, payable on 27th February, 1989.

Bankers Trust
Company, London



**Holdings PLC** 

1988 Interim Results

**CHAIRMAN'S STATEMENT** 

worldwide

The first six months of this year have been reasonably good, despite the October 1987 fall in market

Profits before taxation and extraordinary items for the first half of the year are £15,732,000 (1987: remains periore taxation and extracrollary items for the first half of the year are £15,732,000 (1987: £25,054,000) producing earnings per share of 4.7p (1987; 7.6p). The total profits attributable to shareholders, including extraordinary items of £8,987,000, show an increase over the corresponding period in 1987 to £18,953,000 (1987: £18,259,000). The group retains a strong balance sheet

The figure for extraordinary items includes profits after taxation resulting from the disposal of our investment in Drayton Japan Trust plc following the reconstruction and unitisation in the middle of June. As part of the reconstruction proposals your Company also acquired a 25 per cent equity interest in C M Group Holdings Limited, the holding company for City Merchants Bank Limited an authorised institution under the Banking Act 1987, at a cost of £4.5 million.

The Orayton Japan profit has been treated as extraordinary, in accordance with the group's normal conservative accounting policies. By the very nature of our business such profits tend to occur from time to time but are not always of such magnitude.

Shareholders should be aware that the UK Unit Trust operation is expected to experience a downturn in profits in the second half of the year due to the phased introduction of the provisions of the Financial Services Act. The stable contribution which our international companies continue to make to the group, however, serves to underline the diversity of our business.

Your directors are pleased to declare a maintained interim ordinary dividend of 2.3p (1987: 2.3p) which will be paid on 24 October 1988 to shareholders on the register at the close of business on 23 September 1988.

At 30 June 1988 funds under the management of the group, including those of all of the INVESCO limited partnership amounted to £18,200 million which compares with £18,500 million last year.

Britannia Arrow is a leading investment manager and adviser to investment clients located both in the U.K. and overseas. For further information please write to The Secretary, Britannia Arrow Holdings PLC at 11 Devenshire Square, London EC204 (YR. Telephone: 01-626 3434



YUKONG LIMITED

NOTICE

to the holders of the outstanding U.S. \$20,000,000 3 per cent. Convertible Bonds due 2001

YUKONG LIMITED (the "Bonds" and the "Company" respectively)

As described in the Notice published on 12th August, 1988, the Company has granted rights to holders of its shares and to its employees to advectibe to in the Company and has also authorised a free distribution of its shares. NOTICE IS HEREBY GIVEN to the holders of the Bonds that, pursuant to the provisions of the Trust Deed constituting the Bonds, the Conversion Price per share has been adjusted to reflect the above events from W44,968 to W37,166, with effect from 28th August, 1988.

HILL SAMUEL FINANCE B.V. US\$ 30,000,000 Floating Rate Notes due 1996

In accordance with the provisions of the Notes, NOTICE IS HEREBY GIVEN that for the HEREBY GIVEN that for the Interest Period from 30th August 1988 to 28th February 1989 the Notes will carry a Rate of Interest of 9½% per annum an that the interest payable on the relevant Interest Payment Date, 28th February 1989, against Coupon No. 10 will be USS 464.48.

Agest Bask: Morgan Guaranty Trust Company of New York

IRELAND

US\$300,000,000 Floating Rate Notes due 1997

Yukong Limited

NOTICE IS HEREBY GIVEN that for the Interest Period commencing 31st August, 1988 to 28th February, 1989 the Notes will pear Interest the rate of 57, % per annum. The interest payable on 28th February, 1989 against relevant Coupon will be US\$ 461.93 per US\$10,000 normal and US\$ 11,548,18 per US\$250,000 normal.

Bank of America International Limited



U.S. \$100,000,000 **Neste Oy** 

Floating Rate Notes Due 1994

In accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from 30th August, 1988, to 28th February, 1989, the Rate of Interest will be 91/8% per annum. The interest payable on the relevant Interest Payment Date, 28th February, 1989, will be U.S.\$461-32 for each U.S.\$10,000 principal amount of the Notes.

Agent Bank:

Morgan Guaranty Trust Company of New York

The Prudential

**Insurance Company of America** U.S. \$500,000,000 Collateralized Mortgage Obligations Series 1986-1

For the period 25th August, 1988 to 26th September, 1988 the Bonds will carry an Interest Rate of 8.825% per annum with an Interest Amount of U.S. \$227.08 per U.S. \$50,000 (the original Principal Amount) Bond, payable on 26th September, 1988. The Principal Amount of the Bonds outstanding is expected to be 57.894992% the original Principal Amount of the Bonds, or U.S. \$28,947.50 per Bond until the Twenty First Payment Date.

Bankers Trust Company, London

Agent Bank

8

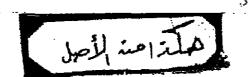
. . . . . .

. .

150

#### FT UNIT TRUST INFORMATION SERVICE

#### Last Comp. State Price Price Err Lim. State City Falls State Price Price Err Lim. State City Falls State Price Price Err Lim. State City Falls State Price Err Lim. State City Falls State **AUTHORISED UNIT TRUSTS** Enthered Arriver County County (self Toyle) Enthered Arriver County ( Barrage Unit Tst Mangart Ltd (0905)F 117 Ferdingth St. London EC3M 541 07-480,7216 Skt Dtd Gilt & FT. 14/51.29 51.29 51.99(1.40)48246 Saltic tee Abtrust int Parlic ... 3-12-1.6 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.5 2-1.6 2-1.7 1-12-1.7 Barclays Unicorn Ltd (2000)H Unicorn Hes. 252 Romford Rd. E7 gis Unit Tst Magant Ltd (1400)F Whitelaties Rd. Bresol, RSS 10% 0272 237593 Sico bul Rocery ... 345,51 46 64 49,101 50 Hitelats St Cat Ber 322,67 44 58 46,705 50 Hitelats St Cat Ber 322,67 44 58 46,705 50 Hitelats St Cat Ber 333,59 44 52 47,95 50 Hitelats Resident ... 343,59 44 52 47,912,50 Hitelatins Profile be 323,31 44 56 47,412,50 -AEtna Unit Trasts Ltd (1600)F Etna House, 2-12 Personville Road, London, M1 900 CS Pertrolle for \$4, -361.43 b.0.228 b.3-4 k.10 engage. 2-4 High St. Potters for Hers Can Gen Dist. \$11.65 121 on 127.3 b.37 engage. 3 191.7 199 0st 279.4 3.37 engage. 5 191.7 1 Hexagon Services Ltd (0905)F Charlmon (Charlisharett (1000)F 33 King William Street, ECAR 945 01-280,2800 Charlo for App 24 H. 21646 1864 5 172.7 9,3016054 Charlo for App 24 H. 21646 1864 5 172.7 9,3016054 Charlo for App 24 H. 21625 1225 1275 1275 40,0014025 Charlo for App 24 H. 2125 1225 1275 1275 40,0014025 Charlo for App 24 H. 2125 1225 1275 1275 40,0014025 | State | Stat Citicorp Unit 15t Mgrs Ltd (1000) Citicorp Unit 15t Mgrs Ltd (1000) Admin, 5 Rayleida Rd, Indian, Bretwood, Essex Enquiries: 0277 227300 Internal contail ... 64 83.4 48.1461 51.4310.777 251 IUK Capital ... 64 72.46 26.77 251 IUK Capital ... 64 72.46 27.254 27.251 SY Model Pfolio ... 29.101.5 100.1 106.82 28.14 Adstair: Unit Treas. Accounting & Manya 20 Copital Person. ... 1316 78 790. 19.0146 62.12 Enquiries & Dealling, 01-588 6004 Bridge Rose ... 35 61.03 46.246 Enquiries & Dealling, 01-588 6004 Bridge Essempt ... 3132 2.362.2 3136.0 4.246 English Income ... 361.03 3136.0 3136.0 316.0 Investments 1:0 (1200)F Invest \$312.1 314.1 334.5 2.98 4000 \$537.00 37 6.34 40 07 6.19 4000 \$170.1 170.1=181.1 2.23 4000 \$191.8 19.8 204.2 1.92 4000 \$191.8 19.8 204.2 1.92 4000 \$190.3 106.3 113.2 1.47 4005 \$106.3 106.3 113.2 1.47 4005 \$204.0 204.0 217.5 2.2 4000 \$265.50 85.59 91.151.41 4000 \$265.50 85.59 91.151.41 4000 City Financial Servs & Janus 126.04 43 City Financial Servs & Janus 126.04 43 City Financial Servs & Janus 126.04 43 City Financial Servs & Janus 126.04 City Financial Remie, Loudon ECZR 7PA 01-508.6064 Sectional in Cap 4 2004 2004 1928 City Financial Redical Unit Tel 22 City Financial Redical Redical Redical Unit Tel 22 City Financial Redical Redica 1.G INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W OBD Tel: 01-828 7233/5699 Reuters Code: IGIN, IGIO FT 30 FTSE 100 WALL STREET Aug. 1423/1432 -4 Aug. 1767/1777 -7 Sep. 2012/2024 +9 Sep. 1421/1430 -5 Sep. 1765/1775 -8 Dec. 2028/2040 +7 \$1148 1148 1274 45416 \$1141 221 2700 26116 \$1140 1191 12730 3144 \$1104 1191 11730 3144 \$104 117 117 102 114 \$104 117 117 117 118 \$124 17 118 117 31 118 118 Periodistry — \$1173 118.4 127.5 11.1 10.19 Providence Capital Fel Mars Ltd (10.86) F 30 Underlog Road, Landon W12.8 F 0.744.9111 Worldwise Inc. — 677.79 72.19 76.800.78 1015 Worldwise Inc. — 677.79 72.19 76.800.78 1015 Wirthwise Acc. — 677.31 74.39 74.90.78 1015 Wirthwise Acc. — 677.48 76.3 E 1.497.23 10115 Wirthwise Acc. — 678.48 76.3 E 1.497.23 10115 European Inc. — 677.6 E 2.77 88.0 E 1.0 0115 European Acc. — 687.6 E 2.78 80.0 E 1.0 0115 With American Inc. — 647.6 E 2.78 80.0 E 1.0 0115 With American Inc. — 647.6 E 2.78 80.0 E 1.0 0115 With American Inc. — 647.6 E 37.6 E 2.0 E 2.0 0115 With American Inc. — 647.6 E 37.6 E 37.7 E 2.0 0115 With Mars Lea Acc. — 647.6 E 37.6 E 37.7 E 2.0 0115 With High Inc En Acc. — 647.3 E 69.10 77.9 E 2.0 0116 Wift High Inc En Acc. — 647.3 E 37.8 E 37.9 E 2.15 1016 Hong Rong Inc. — 65.13 36.6 Aug 27.9 E 2.15 1016 Hong Rong Inc. — 65.13 36.6 Aug 27.9 E 2.15 1016 Hong Rong Inc. — 65.25 4 33.13 35.25 6.3 0126 Series Equities Inc. — 52.54 33.13 35.25 6.3 0126 Series Equities Acc. — 6 72.60 33.20 35.20 35.20 3.0 0146 Write Board Inc. — 85.10 02.05 5 4.38 (6.3 1.0 116) Write Board Inc. — 85.10 02.05 5 4.38 (6.3 1.0 116) Write Board Inc. — 85.10 02.05 5 4.38 (6.3 1.0 116) Wordwisk Vestere . 5-U 53.33 54.44 57.9212-6-H4139 Scottists: Provident Law Wigt Ltd (10000)F 6-St Andrew Sq. Edinburgh EH2 274 031-538 2341/2/5 Each Growth Act W . d 17 00 17-22 18-43 1.20 4139 Easily Growth Act W . d 17 00 17-22 18-43 1.20 4139 Easily Growth Act W . d 17 40 17-91 19 17 1 33 4139 Easily Growth Act W . d 17 40 17-91 19 17 1 33 4139 Easily Growth Act W . d 18-47 17 58 13 06 1 53 412-82 Easily Growth Act W . d 18-67 17 18 13 06 1 53 412-82 Easily Growth Act W . d 18-67 18-82 19 4-66 12 4139 Easily Growth Act W . d 18-67 18-62 17 3-36 40 6 112-8 Market Leaders Act W . d 18-68 15 77 24 5 8 68 40 6 412-8 **JOTTER PAD** Caccar Britz) ... 51,48,84 49,78 52,962,201407G LAS Unit Tst M'mgrs Ltd (1,000)H 93 George St, Edinburgh EPC 3.11. European ... 51,36,59 36,73 39,777 -48948 European ... 51,36,59 36,73 39,777 -48948 Edits income ... 52,000,59 32,73 39,777 -48948 Edits income ... 52,000,59 32,000,59 32,000 Fire East ... 59,19,77,19,95 21,22; -48798 Houston & Earth ... 55,56,55 58,648 52,79,40 48827 Intl Growth ... 51,25,86 32,25 38,65 23 48,79 Rith Rear Egalty ... 57,22,55 22,52 33,67 Rith Rear Egalty ... 57,22,55 22,55 37,15 1,16,4073 **CROSSWORD** No. 6,720 Set by HIGHLANDER Laurentjae Unit Tst Megnet Lid (1280)4 16 Buckingsum Gate, London SWI. 01.8346626 Growth Treat. S. 167.6 167.6 157.0 12.394032 High boome. 516.4 167.6 157.0 12.394033 High boome. 516.4 157.4 158.5 158.5 12.394033 Unitersalfond. 355.4 155.4 158.5 12.394033 Unitersalfond Spects. 514.48.17 48.65 51.765.00 \$59.96 54.96 64.15\hbar 34.6588 \$25.67 25.67 27.35\hbar 38.68\hbar 33.37\hbar 35.57\hbar 34.6584 \$56.37\hbar 35.57\hbar 34.55\hbar 34.6585 \$56.89 145.84 155.74\hbar 47.6635 \$70.72\hbar 772\hbar 75.72\hbar 31.57\hbar 34.55\hbar 35.55\hbar 35.5 Japan Sel Opps Japan Sel Opps Pacific Generin Eartman Penalme Eartman Penalme Larry Jerm Bal © Larry Jerm Bal Del Bal Del Larry Jerm Smith & Williamson Unit Tab Mgrs (1000)F 1. Ridge Rome St. London Wisa Ms. 5.4 W America — \$112.1 13.9 143.7-254 43.59 5.5 W Growth — \$75.01 79.05 83.66 85.813.0 5.6 W Growth — \$75.01 79.05 83.66 85.813.0 5.6 W Growth — \$75.01 79.05 83.66 85.04 813.0 5.6 W Smitr Sees — \$226.3 224.0 247.61.821415 5.6 W Smitr Sees — \$226.3 224.0 247.61.821415 Bollifor M. Green ... 467.A3 87.A34 93.A3627474449 Duillifer Mannagement Co L.5d (0905)F 31.45 Greston Street, London FC2 01.400 4177 Green and General ... 345.547 534.7 565.82.45 (1109 Gundrinet Leven ... 3-4 526.7 257.8 378.7 [224 01179 Gundrinet Leven ... 3-3 527.0 357.0 378.0 [224 01179 Gundrinet Leven ... 3-3 527.0 357.0 378.0 [224 01179] UK Sectial Sits 484.76 49.33 52.48 2.90 Marro UK Sectial Sits 484.17 89.34 9.36 1.74 Mary July Sectial Sits 484.17 89.34 9.36 1.74 Mary July Sectial Sits 484.17 89.34 9.36 1.74 Mary July Section Sec Rack Asset Mgmt (Unit Trest) Ltd 19905Ne Park View House, Front Street, Benton 4901, 215,0077 Exampt Managed ... 3 48.46 49.32 32.46(2,35)4607 2 Fitted below cash box and capable of being turned ACROSS 1 Study of light-measuring devices (6) 4 Standard article is not truth-European Act | \$2211 | \$2.72 | \$2.14 | .75 | 1000 | Stewart Ivery Unit 7st Mgrs Ltd (1500)# | 45 Charlett Se, Editoria | \$200 | \$200 | \$21.50 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$27.54 | \$ over (8) GAM Pr Ca UK Acz ... 2 188.8 188.8 194.6 2 1.0 MS71 Garvett (Jehon) Unit Magrin Ltd (1000)F Stacktein Nesse, 4 Brittle Bridge Line London St.1 01.378 7979 Association Nesse, 4 Brittle Bridge Line London St.1 01.378 7979 Association St.2 197.45 32 341.02 45072 Association St.2 197.45 32 341.02 45072 Association St.2 197.45 32 341.02 45072 Association St.2 197.45 350 45 850 31 70 10.46 45074 Intil Crearth ... 394.09 95.2 96.20 1.09 46375 1.00 10.00 3 Two birds appearing at dayful, said cripple (8) 9 Plan to produce insurance break (8) 5 Overseas sailor has a way Datmenti Unit Tst Mgant Let (1600)F Datmenti Unit Tst Mgant Let (1600)F 54 St James St London SW/JA J.T 07,499,6383 bassel belgan 6th ... 54 107.49 107.48 25 89 2.49 (1906) Batter German 6th ... 54 72.72 72.724 77.73 2.60 (1906) Batter German 6th ... 54 100.0 100.6 100.7 03.00 (1907) Batter Spring 6th ... 35 100.0 100.6 107.0 3.00 (1907) Batter Spring 7.4 48.41 94.28 104.38 39,44065 document (6) 10 One complaining to King George about noise (8) with him (6) 6 Most of all, nearly all, very nearly (6) 7 Cowardly scream followed by exclamation of pain (6) 8 You smell, stated a com-ment made by Archimedes 11 Unusual blemish on religious establishment (6) 12 Exceed reserve shown in account record (8) Demosti in: Strigs. 4-98.A1 94.258 104.308.95-enum Demostin Unit Tst Mingrs Ltd (001.4)F 25. Raeston Terrace, Enitherup 031,-313.2500 British Geth 4 5164.1 167.3 178.01.98-9059 British Geth 4 5164.1 167.3 178.01.98-9059 British Geth 4 517.21 272.A 289.98.05.9055 Brone 5 5 91190, 1193. 127.98.25-9059 Brone 5 91190, 1193. 127.98.25-9059 Brone 5 91190, 1193. 127.98.05-9059 British America 5 9101.1 101.1 107.26.4949038 Except 5 9 9101.1 101.1 107.26.4949038 Except 5 9101.1 101.1 107.26.4949038 **GUIDE TO UNIT TRUST PRICING** 13 Make an offer direct (3) The data included under the Authorised section of the FT Unit Trust information pages is being expended to improve the service to readers and to conform with new legislation, DATTAL CHARGES These represent the marketing, administrative and other costs which have to be paid by new purchasers. These charges are included in the price when the customer beys units. OFFER PRICE The price at which units may be bought. 12 Sapper's trailblazer (7) 15 Fresh rising produces con-14 Fat? Pull everything in (6) 17 Cautionary advice reportedly put on gin cocktail (7) 21 Not so dry: use draught regulator (6) flict (3) 16 Aim to kill (3) 18 It is run as punishment for For EBC Azoro see Dottenii Trest Mogt. EFM Unit Tst Mages Ltd (1400)H protecting hand (8) 19 A true rep can create an opening (8) 20 Bank in Reading changed first of tenners (8) 22 Make slight amendments to EID PRICE The price at which units may be sold. CANCELLATION PRICE The maximum spread between the offer and bid prices is determined by a formula laid down by the government. In practice, unit trust managers quote a much narrower spread, is, a result, the bid price is often set well above the minimum permissible price which is called the cancellation price in the table. However the bid price might be moved to the cancellation price in circumstances in which there is a large excess of sellers of units over buyers. TIME 25 Three quarters use needle and thread (3) 26 Realise record has finished (8) 27 Resting outside – right and natural (6) TIME The time shown allowable the fund manager's name is the time at which the unit trusts' daily dealing prices are normally set unless another time is indicated by the symbol alongside the individual unit trust name. The symbols are as follows: \$\vec{4}\$ - 0001 to 1100 hours; \$\vec{4}\$ - 1101 to 1400 hours; \$\vec{4}\$ - 1701 to 1800 hours; \$\vec{4}\$ - 1701 hours; \$\vec{4}\$ - 1701 to 1800 hours; \$\vec{4}\$ - 1701 hours; notice on right (6) 23 Dispatched first according to agreement (6) 24 Plant used in making salads 28 Type of income not yet deserved (8) 29 Refer to a dull turn of direction (6) SO Added up the whole amount carried externally (8) or relishes (6) 25 Split note is difficult to the prices appearing in the newspaper which have been set on the basis or yestereay's asset, yellow. FURWARD PRICING. The letter f denotes that prices are set on a forward basis so that levestors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper show the prices at which deals were carried out lest Friday. Other explanatory notes are contained in the last column of the FT Unit Trust Information pages. 31 The way engineers go in? Don't change it! (6) accomplish (6) The solution to last Saturday's

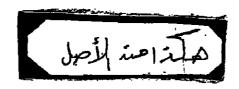


ent Ltd (1600)

prize puzzle will be published with names of winners on Sat-urday September 10.

Elcon Ltd (1600)F

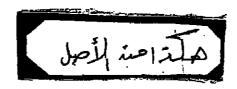
1 Fight against accepting it from the other side (8)

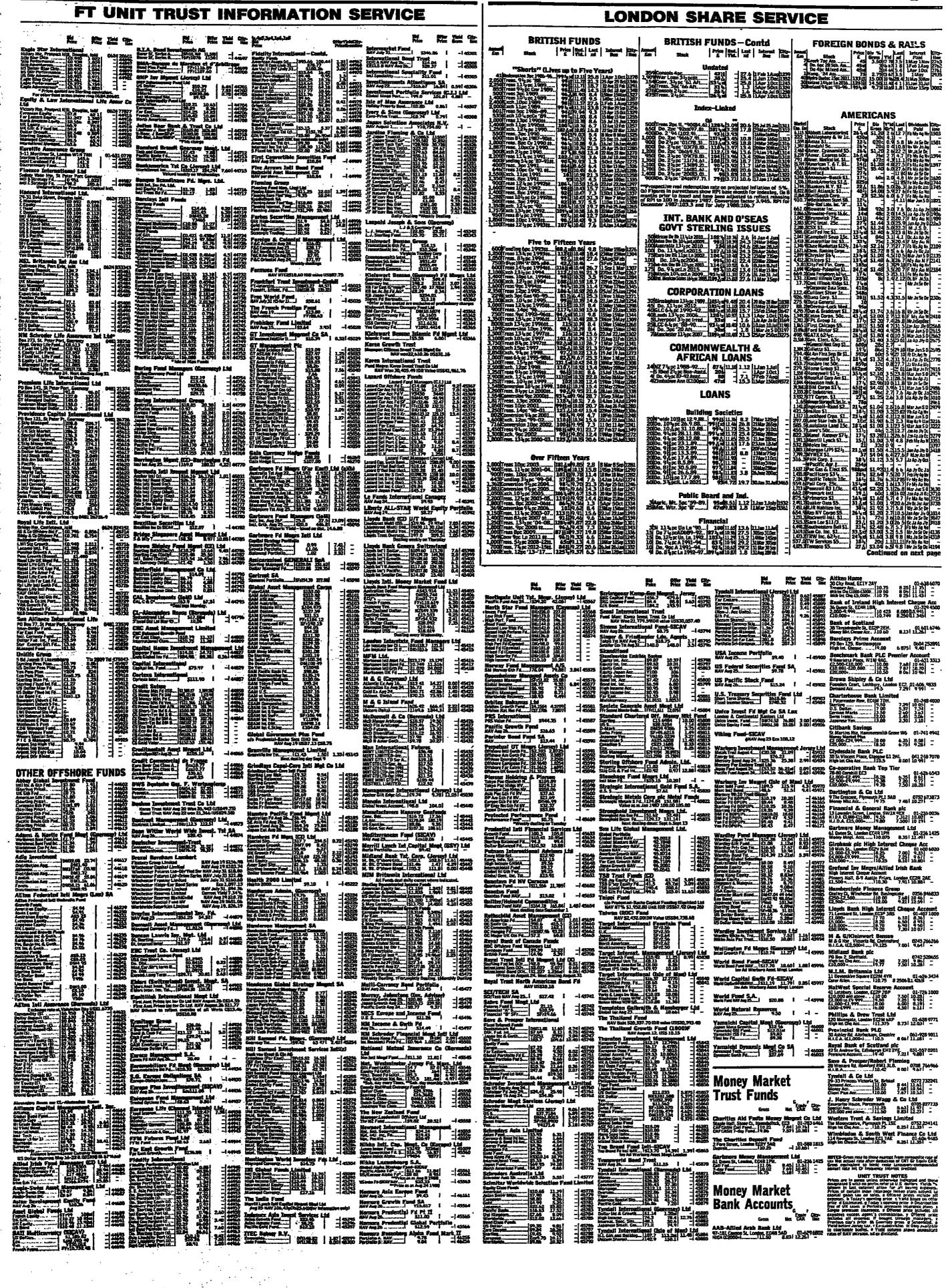


## FT UNIT TRUST INFORMATION SERVICE 99-103 London Rd. Samenais 99-103 London Rd. Samenais 97-103 London Rd. Samenais 97-103 London Rd. Samenais 97-103 London Rd. Samenais 97-103 London Rd. Samenais 197-103 London Rd. Sam Prices For other p | Section | Sect Pers. Init Ernery Mitts. | 92.5 | 97.5 | Pers. Act. Eguity. | 188.0 | 198.7 | Pers. Act. Eguity. | 188.0 | 198.5 | Pers. Act. Managed. | 165.5 | 174.5 | Pers. Act. Managed. | 165.5 | 174.5 | Pers. Act. Ivid. | 165.5 | 174.5 | Pers. Act. Property. | 169.5 | 126.5 | Pers. Act. Eguity. | 169.5 | 126.5 | Pers. Act. Eguity. | 169.5 | 126.5 | Pers. Act. Eguity. | 120.0 | 126.5 | Pers. Act. American. | 97.0 | 104.5 | Pers. Act. World Invest. | 97.0 | 104.5 | Pers. Act. World Invest. | 97.0 | 104.5 | Pers. Act. World Invest. | 97.0 | 104.5 | Pers. Act. World Invest. | 97.0 | 104.5 | Pers. Act. World Invest. | 97.0 | 104.5 | Pers. Act. World Invest. | 107.0 | 104.5 | Rillian Envy Mitts. | 107.1 | 107.7 | Ringo Income See B. | 96.2 | Rillian Ern. | 107.2 | 107.2 | Ring Edity See Fet. | 107.2 | 107.2 | Ring Edity See Fet. | 107.2 | 107.2 | Rillian Ern. | 107.2 | 107.2 | Rever. | 107.2 | 107.3 | Rever. | 107.2 | 107.3 | Rever. | 107.2 | 107.3 | Rever. | 107.3 | 107.5 | Rever. | 107.4 | 107.5 | Rever. | 107.5 | Rever. | 107.5 | 107.5 | Rever. 324.0 99.0 96.2 408.7 227.6 172.6 172.6 172.6 185.5 167.8 161.2 Advancy User Assertable Co. Los. 30 Holistohard Ross. 6 processings. 1 Proc. Scr. 1. 221.2 284.5 Proc. Scr. 1. 221.2 284.5 Proc. Arx. Scr. 2 363.6 383.0 383.0 5 Scientine Assertable Scientific S Centimental Life Insurance 64/70 Haja St, Croydon CRD 94M. 20417 Arr. 93.1 Property Acc. 503.8 Arr. 93.1 Property Acc. 503.8 Arr. 93.1 Property Acc. 504.8 Arr. 93.1 Property Acc. 505.4 Arr. 94.1 Property Acc. 506.5 Arr. 95.1 Property Acc. 506.5 Arr. 96.1 Property Acc. 506.5 Arr. 96.1 Property Acc. 506.5 Arr. 5 0272-279179 | Money Ser. 4 | 217.8 | 229.3 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 | 17.9 **01-7407**070 181.8 118.0 172.8 428.0 181.4 223.2 163.8 176.1 208.8 176.1 208.8 117.0 77.7 Pen Battlard WP Acc. | 96.7 | 101.7 | General Portfulis Life Iss. Ptc. Crosbroot St. Cheshant, Herts Life Pants: 9475.8 | 475.8 | Portfulis Fd Acc. | 475.8 | 475.8 | Portfulis Iss. A | 475.8 | 475.9 | Portfulis Iss. A | 475.8 | 475.9 | Portfulis Fd Acc. | 475.8 475.8 475.7 261.144.9 177.5 165.3 111.8 97.5 130.1 124.3 196.5 196.3 159.4 122.8 111.2 122.8 111.2 122.8 111.8 4758. 4758. 4758. 1711. 17 MASTERFORD NEL Persients 1.4d Milton Court Dorting, Surrey thatticker of the court of the court Milton Court Dorting, Surrey thatticker of the court Milton Court Dorting, Surrey Milton Ret Magd Pholic. 89 9 Moderson Magd Pholic. 91, 9 Moderson Magd Pholic. 91, 9 Moderson Magd Pholic. 91, 9 Moderson Magd Pholic. 94, 9 Moderson Magd Pholic. 96, 9 Milton Milton Magd Milton 115 8 Perpenal Magd Pholic. 96, 9 Milton Milton Magd Milton 115 3 Do. Accum. 97, 9 Do. Accum. 190, 9 Do. Accum. 190, 9 Do. Accum. 112 8 Review Managed 0306 887766 190.4 205.7 168.8 149.8 125.4 234.6 105.2 105.9 106.9 261.9 170.2 170.2 195.9 141.8 137.9 154.8 233.9 119.0 221.1 213.5 213.5 Git Phis Final lat. Usp. Building Soc. Property Just Gift. Building Soc. Perpeara) Fidelity. Gerinnes Mahon. Mali Robrischeld. Building Soc. Building So 79.6 436.8 143.6 251.5 460.2 340.7 447.5 251.9 356.5 206.4 225 99.3 | Exercise Fresh Hom Solice | 179.8 | 206.8 | Exercise Historia Fol (2) | 179.8 | 206.8 | Exercise Historia Fol (2) | 179.8 | 206.8 | Exercise Historia Fol (2) | 179.8 | 206.8 | Exercise Historia Fol (2) | 179.8 | 206.8 | Exercise Historia Fol (2) | 179.8 | 206.8 | Exercise Historia Fol (2) | 179.4 | 207.9 | 207.9 | 207.9 | 206.8 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 207.9 | 0705 827733 195.7 195.7 195.7 195.7 196.8 196.8 196.8 196.8 196.8 196.5 196.7 196.7 196.7 196.7 196.7 196.7 196.7 238.3 166.8 236.1 199.4 126.9 158.8 152.6 152.7 242.1 245.9 150.7 242.1 127.1 140.7 150.1 100.4 100.4 100.4 100.4 100.4 er, GLI JLE 01-902 8876 18.44 17.31 12.96 11.89 9.19 9.48 7.25 8.27 12.50 13.16 9.76 10.28 12.20 12.67 12.20 13.62 93.5 479.6 200.0 200.0 289.8 177.7 358.6 469.4 272.1 157.5 257.0 270.6 137.0 144.3 735.7 719.7 223.0 261.7 313.3 199.3 J591.00 591.001 -141488 Crossier Insurance Pic **0707 42311** The property of the property o

	T UNIT TRUST INFORMATION SERVICE	Year Chr. No. 100 Chr.
Bid Offer Yield City- Eld Offer Yield City- 2 Pries Pries Cross line Pries Pries Sees line Provident Matual Life Asse. Assn. Royal Heritoge Life	Office Vicid City- Rise Office Price Cross line Price City- Rise City- Price Gross line Price Cross line Price Gross line Price Gross line Price Gross line Brand Copylial Services Ltd.  Strict Cross line Price Gross line Brand Copylial Services Ltd.  Copylial Research Manuary Ltd.  Strict Copylial Research Ltd.	Sense time  Larding Florning & Co Ltd  01-9804684 CF0 Sur 11448 Roog King ay   18578  145781 14581 Wangs CF   14581 - 14581
Phocais House, Redchif Hill, Bristol 0272 294941 William Re, Hitchin, Herts Sci. G.P. 0438 739000 Aldra Granth	107   107	Ltd. Date 25000 Landon Contact Floring for the Mann Land State State 45707 Kindsowerf Senten (Generally Fig. State 2771 and 2771 op 501 44. Generally Contact 1 Admit 5-48 1871 and 1 Admit 5-48 1871
	The state of the s	fector person of the control of the
Interest National Conference   198, 30   92, 90   43257   Descrit Init   111,7   117,6   -14,3447   Interest Init Institute   14,3447   Init Init Institute   14,3447   Init Init Institute   14,3447   Init Ins	105   6   43744   Frobrigor No. Retion Gt. Sontiampton   0703 394411   Spring Plane   0703 39441   Spring Plane   070	- 44410 Po English makin at transming (1) in 10 24411 (1) in 10 24411 (2) in 1
Pretrick 150 in min. 123 b 140 1 140	08.64 - 43754 North Carron Fellow   15.05   16.42   - 44070   164 Pen legal Act Felder   101.7   107.1   - 44280   Carron Pen   Managers Line   15.05   16.42   - 44070   164 Pen legal Act Felder   172.4   177.9   - 44281   Sategord   molecular in General Pentles   173.1   174.0	440.6 S. Heller Anne D. He D Rend 12 49 5555  - 440.15 Jerus (min 10 57 770 De Gerial  - 440.18 Jerus (min
Laguard Act   196,6   206,9   43257   Property ment   102,4   170,9   43556   GL Managed Find   157,0   194,9   43556   GL Managed Find   157,0   194,	18.4 - 3765 European Income	\$76 4600 Misserals, Olis Res. Sens. 20, 100 100 100 100 100 100 100 100 100 1
Managed Fund. 265 9 279.9 43272 Prodestial Assurance Co The Tutors built Fd. 43273 Holborn Bors. London ECLN 2NN 01-405-9222 Entrie in University Indian Probe Co. 113.8 119.8 43274 Holborn Bors. London ECLN 2NN 01-405-9222 Entrie in University Indian Probe Co. 113.8 119.8 43274 Prythand Probe Managed Aug 24. 1206.3 214.9 43512 Mil File. Serve. 113.5 100 0 43276 Managed Aug 24. 1206.3 214.9 43512 Mil File. Serve.	86.3 - 43770 international Borni 100.3 105.5 - 44024 Cash Acc 200.5 211.1 - 44273 MFS GRE Media Fe. 119.0 - 4477 GA GRE Minconte	ment (CD) MM Schroder Financial Migent Lett Ltd 9534 78500 Ser 275 St Pass Part, Servery 941, 15 30 44570 Migent Lett Ltd 9534 78500 Ser 275 St Pass Part, Servery 941, 15 30 44570 Migent Lett Ltd 9534 45140 Ser 45490 Mige Particular Seriation Final Ltd 954 4510 OC 44710 Migel Particular Seriation Final Ltd 954 9510 OC 44710 Seriation 950 Mige 9510 OC 44710 Migel Pass Ltd 954 9510 OC 44710 OC 44710 Migel Pass Ltd 954 9510 OC 44710 OC 44710 Migel Pass Ltd 954 9510 OC 44710 OC 44710 OC 44710 Migel Pass Ltd 954 9510 OC 44710 OC 4471
Pen D'Aca Met Alaci   55.2   71.8   33.00   10	1770   Section Pine   1710	0574 70334 bet 60ml 90 80 80 1 1 1 1 2 1 4 2 2 2 2 2 2 2 2 2 2 2 2 2
Premiers Life Assurance Co Ltd   International   301.5   317.4   Software Control   1.5	177.2 45766 Extra income 200,9 262.0 44057 (house for instintional provides continued) 95 Clobal Growth 6 96.2 101.2 44055 State form instintional provides continued) 83.2 45766 Financia 81.7 8 6.0 44038 Peer Managed Acc 302.2 44056 IPS Managed Acc 302.5 101.2 44055 State form instintional provides account 115.5 44055 State form instintional provid	44437 Peng Kang Fast
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		4884 500lar Carrency 0 0 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Jacon   200   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200   43397   200	100.4   100.5	- 44853 Balanced Growth F4 - 1 380 1 460 - 45586 - 44855 Sterling Secret Fd - 1 31.030 1,090 - 45585 - 44856 Sterling Secret Fd - 1 51.030 1,090 - 45586
Preside Funds  Aperican	112.7) - 43804 First Ingress	Predential Intl Financial Services Ltd  -144875 P.0 But b.1, St Peter Part, Generat448776 Robert Services 120.7 131 14 417 45437  Radianged Services 120.7 132 19 3.56 45454  Radianged Services 120.7 12.77 3.56 45454  Services Depter 120.70 10.70 - 45450  Deltar Depter 120.70 10.70 - 45450  Deltar Depter 120.70 10.70 5 552 - 45451
Prodestral Pensions Limited Royal Life Insuran	107.0   - 43011   107.0   -	For Bitness Managed Serviced 112-5 15-6 15-6 15-6 15-6 15-6 15-6 15-6 15
Manager First see Bylanced Growth Manager and Statemational Aug 24 120.27 20.95 43541 Reyal Life (Unit Linked A Balance Gerin Mong 1515.4 541.01 43315 International Aug 24 120.56 64.2 43542 Equity Fund 160.5 - Fired Int Aug 24 120.56 64.2 43545 Equity Fund 160.5 10.70 10.50 1	## All ##	herge  of Mgs Lini Gailtier Imbernational Hamagement Lini  ob24 77877 Ph Ben 208 St Peter Port Guernary 0481 25/98  ob24 77877 Opade. Incl. Boon 55, 93 0, 40ml  44905 Quade. Incl. Lavy 12-16 279ml  44905 Quade. Incl. Lavy 12-16 279ml  44905 Quade. Incl. Lavy 13-16 3, 5.9 45/25/7  object. Incl. J. Amer 13-17 1441 42568
2017   1906   2017	## Best of British	49906 Retinetalid Asset Management 6.60 a9909 S. Initia's C. Gernicy 7.83 49912 OCHL 6. 455 790 7.83 49912 OCHL 6. 455 790 11.77 59440 2.93 49913 OCHL 6. 6593.555 817 65466
Entra Inc Fd. 231.2 243.7 43555 Pers Index It Aug 20. 1133.9 141.0 43555 Leany Monry Fg Acc. 117.3 123.5 143.6 Leany Monry Fg Acc. 117.3 123.5 143.5 Leany Monry Fg Acc. 117.3 123.5 Leany Monry Fg Acc. 117.5 Leany Monry Fg Acc. 117	Find   196.5   206.9   -44327   445.0 per bar Fd.0.   109.7   115.4   -445.0   -445.0	Ltd
Sever Mind Pen Acc. 20.5 27.4 43332 Ellis Funt. 95.4 10.0 4 43556 Fused Interest. 5 10.0 4 43	45.5 - 43830 diobal loc & Growth . 127.6 131.6 + 4090	9.00 4500 0018,55 55730337 2 05 4556 010,00 45010 0018, 15 5 5 5 5 3 0337 2 05 4556 010,00 45010 0018, 15 5 7 5 45 283 283 2 05 45 2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
Tech Pers Acc. 160 9 1464 4 13339 Property Fund 391.8 412.4 42565 Init Equity. 164 5.7 Excistor Pers Acc. 373.0 392.7 43340 UK Costs Pf. 6. 2 2 65.5 43566 Fixed interest. 173.0 5.7 Excistor Pers Acc. 373.0 392.7 43340 UK Costs Pf. 6. 2 2 65.5 43566 Fixed interest. 173.0 Extra Income Pers Fd. 268.0 262.2 43342 Satis Select Inter. 101.6 105.9 43566 Excistor Fd. 26.0 262.2 43342 Satis Select Inter. 101.6 105.9 43569 Managed. 25.0 Exercises 6.6 In Property Education Pers 114.0 120.0 43345 Compast Fund. 70.5 74.2 43357 Save & Prasper Grand Pers 114.0 120.0 43346 Excistor Fire Market Fd. 453.5 390.3 43571 28 Western Rd. Roundon's Compast Fund. 36.1 89.3 43571 28 Western Rd. Roundon's Compast Fund. 36.3 99.3 43571 28 Wester	Spirit of the East 78.7 82.8 - 441.94 Statement Spirit of the East	700 00015 0001 00015 001 0001 0001 0001
Prof. 6, Fried Peter   96, 9   102, 6	43.6) - 4.3341 American Scaller Co (88.3 92.9) - 44106 Remarks From 177.0 The Herminister Green Pi Box 255, 18-20, Polici Science Pi	0481-710551 077 8F7 F8-812 37 513 49-90 1-9-
BEFORM VISU Managera 40.1 101.2 43.2 Reliance House, Instburings Willer Kent 10872 110033 Montanger 10872 110033 M	1383   January Special   91.2 95.9   Teachers Assurance Company Ltd   Ser. Global Pess.   1209.9   115,71   44941   67 Ser. Inch American   91.7 95.5   - 12 Christoph Rt. 8 Tough BHI 11.W   Graz 99131   67 Haillanga & Ca/Compleywide   1383.90	677   0027   155   513.25   7.02
Bertries S. James. 92 2 95.0 4336.1 El. Pendon Fauds 147.0 154 7 43561 Scottick Ansicable FS. Manuel Portriels 62 9 66.5 4336.2 Depoit Acc. 147.0 154 7 43561 Scottick Ansicable FS. Manuel Portriels 165.9 153.6 4336.2 Depoit Acc. 140.8 159.7 43561 Scottick Ansicable FS. Depoit Acc. 140.8 159.7 435	255.1 - 43856 Growth City	Street   Street   Int   Sport Fd   S11 29   1,121   45700   1,123 1212   1,121   1,1
Accort Mingd 94.1 99.1 43367 PBN Max Geth & Inc. 93.1 99.1 43367 PBN Max Geth & Inc. 93.1 99.1 43368 PR Royal Heritage Life Assurance Ltd Cash Live & Write Mingd 1013 100.7 46.119 For Capital Unit and Other Prices ring 0559-33733 Multi Geth - 48.48 472.1 43569 For Capital Unit and Other Prices ring 0559-33733 Multi Geth - 48.48 472.1 43569 Property Equity & Life Ass. Co Baxter & Southend SS2 60H 0762 333433 On Fig. 97.9 3359 50 42590 Baxter & Southend SS2 60H 0762 333433 On Fig. 97.9 3559 50 42590 Baxter & Southend SS2 60H	2010   1977   1978   1979   1970	9.25 45060 Canadian S
tot Man Petsion Fd	197.5   43507   Mil Income & Growth.   113.0   118.9   44423   Kjassum Frank   128.7   43707   Frank   128.5   44125   Kjassum Frank   128.7   43707   128.5   43707   128.5   43707   128.5   44125   128.5	45060   45070
Property Growth Assur Co Ltd   Purston Funds-Geries 8.6 C. Acc.   43598   Bailding-Society Fd   Factor Funds   619.8   652.5   43598   San Alilance Hoots, Hookam   0403 64141   Equity   1.001.5   1770.1   43599   Santitis Sci Equitable   700.7   629.2   43600   2551 Andres Sq. Edinby   7629.2   43601   8561   84600   2551 Andres Sq. Edinby   7629.2   43601   81	ASSEC. SQL.  U.S. Stroll (Go	1.00 45079 34 Hert Aug 31 7415 on Aug 30 7415 on Aug 31 0.51 45079 0.71 45080 Save & Presper Enternational 90 for 73 St feller Joseph
Abbry Nat, Fd. (A)	104.2   109.7   104.5   109.7   104.5   109.7   104.5   109.5   104.5   109.5   104.5   109.5   104.5   109.5   104.5   109.5   104.5   109.5   104.5   109.5   104.5   109.	0401-28715 Starling Deposit 134.29 15.56 45753 45759 45100 45120 554719 Deposit 134.29 15.56 0.03 45759 45120 541.
City Energy   City English   Cit	567 3 - 43887 European Growth	CAN CALLED MANUSCRIPT SUPPLIES TO TAKE ALERTS
14399   1439	122.5 - 1375	174-177 High Holbern, WC1 7AA 01-836 8040 interactional Bood Front_124,25 131.501 -145839
Proo Peer Cap U.S	141.1 - 49702 Smaller Companies	The Timi-Euro Fund Ltd Sarola Hs. Le Tracket, St. Peter Port, Grasy 0491, 24963 (Look Bank Find Rings (General) Ltd 9,84
17.0   -  17.0	10.5   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150   43.07   150	Seri) Ltd. Peetic in Fd St. 1862 9.06 - 45631 0481 23506 Peetic in Fd St. 1862 4.05 - 45631
12   12   13   14   15   15   15   15   15   15   15	131   132   133   134   135   134   135	14939   1493
Technolow act 110 6 116.7 - 43421 Managed	990.91 -143721 Bernard Managed 112.9 118.2	Union-Investment-Geselfschaft Gesitti 6.72   451.64   Postlach 16767, D-6000 Frenkfurt 16 1.86   451.64   Uniform   Direct 2   1.69   49926   1.86   451.64   Uniform   Direct 2   1.69   49926   1.86   451.64   Uniform   Direct 2   1.69   49927   1.86   451.64   Uniform   Direct 2   1.69   1.86   4
int Fived Interest Acc. 47 8 50 5	131.6   132.7   132.	4.67 45146 4.19 45146 4.19 45146 4.10 45170
Arence Initial 71.1 - 4,934 Japan Smire US 125.2 125.8 - 3561 International Find Jaconnes Initial 111.9 - 4,3435 Natt High 215.4 225.8 4,3651 International Find Jaconnes Initial 111.9 - 4,3435 Prop Sarres 126.2 196.0 - 4,3662 Gitta 6, Fed Im Find Jaconnes Initial 111.7 - 4,3437 Smiller Edward 127.3 291.9 - 4,3663 Gitta 6, Fed Im Find Jaconnes Initial 111.9 - 4,3437 Smiller Edward 111.9 - 4,343	1974 - 43727 - 43728 - 43727 - 43728 - 43727 - 43728 - 43727 - 43728 - 43727 - 43728 - 43727 - 43728 - 43727 - 43728 - 43728 - 43728 - 43729 - 43728 -	0 9 45 770 £Sterling
UK Hrush Inc. Ed Init. 662 - 13446 American 1116 1275 - 43671 Pent UK Smir Car's Fast.	197.6 Presery. 175.9 185.7 - 44101 APR Interior MRAD. 122.2 122.7 - 44603 University Medical General Ltd. Management Ltd. Management Ltd.	Japan Fend
Sorber Free   12.0   - 43975   Pers Associate Fiel   15.0   12.0   - 43975   Pers Associate Fiel   10.0   1	132.1 - 2947 Pendan risks-Linds 182.0 170.6 - 44197 Pendan manager Funds 340.2 - 44436 9 Kingsay, Leiten, W22 BST 03-89 Pentan international 476.5 501.6 - 44198 APM May Pen Carbon 172.2 76.1 - 44436 Pentan Resident 189.1 189.6 Pentan risks resident 189.1 189.6 Pentan risks resident 189.6 Pentan Property 276.5 313.3 - 44199 APM May Pen Targon 72.2 76.1 - 44438 Targot May Pension 189.6 Pentan Rasident 189.6 Pen	0481 26521 Recrifts Fund
Aut Str. Nur Ford 5 205 6 216.9 4 43454 Imported 5 207 1 207	Person European	7.42 46.138 Australian Fd
Sector   Market   Acc.   134 2   142 6   - 43-60.0   Barbaton   Funds Market   100.0	286.5   - 4795   Surt Alliance Insurance Group   135.1   - 4795   Surt Alliance Insurance Group   135.1   - 4795   Surt Alliance Insurance Group   135.2   135.4   - 4795   Surt Alliance Insurance Group   135.2   135.4   140.5   14	3-05 43211 Pacific Fe. 38 52 9 30 4 4504 6 4 6 5 6 5 7 10 3 5 6 6 5 7 10 3 5 6 6 6 7 10 3 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6
2844 FOR URL 175 1 72 4 - 147-404 LEISTER LEGIS	188.6 - 13965 Property Fand	Alterry International Assurance List 1031 76029 2 May 1. Constrout part Man 2031 76029 2 Construction Part Man 2031 76029 2 Construct
Int Mynaged Acc	156.1	8.151 45265
Provident Life Asset	490.7 - 49776 index Listed	4021 Glibbal Dellar Fd. 50 200 44455 4455 4455 4455 4455 4455 4
P789/20071 LBTE ASSESSAGE RE21 252   O256 470707 Gat & Fixed Interest.   60.7   91.3   43712   Micro Final   O256 470707 Gat & Fixed Interest.   60.7   91.3   43712   Micro Final   O257   Unit Furd   S86.9   931.2   -43675   income   125.1   110.7   43713   Equity Final   125.1   110.8   13714   Property Final   125.1   130.8   131.1   137.7   43477   Micro Final   126.1   130.8   131.1   137.7   43478   Interest Section   130.0   13714   Property Final   130.0	2018 - 43900 Bunding Society	Jupan Doller Fd
Flust Interest Fund   101.0	## 1   1977   1977   1978   1977   1978   19	13.00   Gal Stoop Dollar   1.002   46660
S & F Balanged	549,9 - 43996 GT Spaced Mings	- 45352 Opportunity F6 5

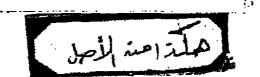
علدامن المصل

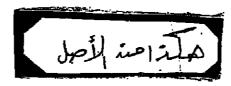




LONDON SHARE SERVICE

	LONDON SH	ARE SERVICE		Pauls
Price   Sire   Street   Stre	Div   VPM   Last   Dividends   City   Div   Gala Ejectronic   9   410   12.5   4.111.4   Dec. June   18   5.0   5.0   5.0   5.1	23 Section	220   Bonter hat like 1551   2114   6500   2.9   8.6   38, 155   1617/2   18.6   38, 155   1617/2   18.6   38, 155   1617/2   18.6   38, 155   1617/2   18.6   38, 155   1617/2   18.6   38, 155   1617/2   1677/2   18.6   18.6   17.6	## ## ## ## ## ## ## ## ## ## ## ## ##
52.0 b Breatwater Res. 232e 10c 2.1 11.74 life 'Stand 10p. v 198 1.72 Exam In Bankst. 105 3.1.6 5 2.29.6 Fe My Au No 313.4 Morellen I. 104 60c 2 928.6 July Jan. 135.1 life My Jan	13.0 5.9 13.7 Ag ole: 3316 18.3 andri of Set 10p. of 13.0 5.1 25.4 l. light Mark 10p. of 13.0 5.1 25.4 l. light Mark 13.0 25.1 25.4 l	111   5.3   4.725.1   Apr Oct   271	11 985 and Lam 10s. vi 135 14.5 5.0 9.5 Nay Nov 1374 20.4 Boot Chernyl 50s. n 335 14.5 5.0 9.5 Nay Nov 1374 497 1254 63.6 Sock. vi 2115 8.8 5.9 20.6 Jan. Aug. 1376 479. Bifforwater 120s. vi 256 12.5 6.7 25.4 June 90.1 1986 6.46 Bridgerd Group 10s. vi 6. 46 Bridgerd Group 10s. vi 6. 46 Bridgerd Group 10s. vi 6. 46 S.1 25.4 Nov. July 1989 157. 6.0 5.1 25.4 Nov. July 1989 157. 6.0 5.1 25.4 Nov. July 1989 157. 6.6 30.3 Sare Oct 1725 SReft. Aerospar 50s. o 157 1020 16.6 30.3 Sare Oct 1725 SReft. Aerospar 50s. o 157 1020 16.6 July 1891 1590 1591 1591 1590 1591 1590 1591 1590 1591 1590 1591 1590 1591 1590 1591 1590 1591 1591	5. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.
10.5   2.5	1.4 2 11.4 4 Apr. Dec. 3760 2.9976 11.4 2 11.4 5 1.91 1.1 February 27.1 1.4 5 1.91 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.	34, 9Priest Bard 5p  201yal   0.4 3,915.8   Feb Aug   5718     28, 6Rarscomes Stat  323, 72, 3,021.3   May Nov. 3779     6,93Ratellifts 68,8  488   125   1,121.3   Nov. May   5761     6,93Ratellifts 68,8  488   125   1,121.3   Nov. May   3821     10,53Ratellifts 68,8  488   15 3,120.6   Jan May   3821     11,93Rateria Group 10p  45   1,0 2,121.3   Jan May   3821     10,43Roteria Westeria May   45   1,0 2,121.3   Jan May   3823     10,43Roteria May   1,0 2,0 3,0 3,0 3,0 3,0 3,0 3,0 3,0 3,0 3,0 3	99 BBrt. System 200. 9 125 4.5 4.8 11.4 8 bet May 1974 (ULSB. H., Frop. SAL	599 Bitaris (19   10   10   10   10   10   10   10
773.89 Trans Can Pipe	19, 19, 19, 19, 19, 19, 19, 19, 19, 19,	22 9.19 Ter Hidgs 10p	19.70 Secretary Ind 100.4 48 2.5 6.9(25.5 May Not 2005) 56.3(Countries Pt. 100.4 155.5 5.5 4.7 4.7 Jan. Aug. 2005) 67.0(Countries Date 150	7.13[5] @009 59
BANKS, HP & LEASING    Market   Market	6.19 2.711.4 July Nov. 1447   5.75% estaback 10p	15	10. Bick. of Designers 50. y	17. Section Group
17. Statin of Wales	2073 3.512.5 June 17/5 5.549/imter Group 10p. y	FOOD, GROCERIES, ETC  1757 ASDA Group	18.5Cresta Hidgs, 10e.,   83   0.79   1.221.3   2271   2372   237	17 Sisteman
79. Telulimens Matton 100 gt 123 36.1. chlambrars 200 m. B 228 9.0 5.3 4.7 Jan Aug 2812 2.29 likk 6 State HKZ 50. 44 1038c 6.6 15.4 May 0ct 1279 2.2 sloszeb I Leo 15 1. v 4 25:1 14.38 d 4.51.5.8 Jan Sept 3060 2.2 sloszeb I Leo 15 1. v 4 25:1 14.38 d 4.51.5.8 Jan Sept 3060 2.2 sloszeb I Leo 15 1. v 4 25:1 14.38 d 4.51.5.8 Jan Sept 3060 2.2 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.38 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.38 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.30 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.30 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.30 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.31 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.31 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.32 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.33 likitelmant Remont Gr. B 368 14.0 5.11.1.4 May 0ct 1302 2.34 likitelmant Remont Gr. B 368 1.8 Apr 0ct 130.5 S.30 likitelmant Gr. B 368 1.8 Apr 0ct 130.5 S.30 likitelm	W3.3 3.5 11.4 June Dec 2807 13.284MM Compt. 5p. V 158 ml. 2 1172.5 Jan July 32.5 Lot 3.633.5 Mr. Jo 5e De 15.63 3.633.5 Mr. Jo 5e De 15.63 3.915.8 Dec 2703 3.13MM compon int. J. De 23 4.7 2.8 1.4 7.3 Mr. Jo 5e De 15.8 Dec 2703 3.13MM compon int. J. De 23 4.13 2.411.4 May Nov 33 4.10.5 5.15.8 Dec 2703 3.13MM compon int. J. De 23 4.13 2.411.4 May Nov 33 4.10.5 5.65 3.415.8 Jan Set 3155 28 2.484 km res Swala 5p. V 255 at 4.0 2.15.8 Apr Sept 33 5.65 3.415.8 Jan Set 3155 28 2.484 km res Swala 5p. V 255 at 4.0 2.15.8 Apr Sept 33 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. John Compon Res V 33 48.255 0.7 7.3 Jan. July 33 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 37 3.0 2.911.1 4 Apr Oct 3.250 1.7 Mr. July 13 3.7 M	10   42,803ar (0.6.1   1.76	25.20mrt Gross 10 v 158 44.0 3.6(20.6 Jan Jy 239) 239(0) 50.1 4 J.J. v 145 4.9 4.1 la Agr. Oct. 239(2 10.4 be. 14 5.4 5.4 la Agr. Oct. 239(2 10.4 be. 14 5.4 s) 1.8 Agr. Oct. 239(2 10.4 be. 14 5.4 s) 1.8 Agr. Oct. 239(2 10.6 Oct.) 1.8 Jan June 2400 Jan June 240	11.351.95   Farmibart   14.7   6.51.81.7   Feb. Aug   4091
- PROTINEE IS ASO. 50. 261-5012.56:19.5 - 19	234   1.627 A   April   3520   30. 4848 tropsysems 150   218   13.0   18.1 ft 3.0   18.1 ft 3.	6 10.302 lepak 7-005 5p. y 98 2.77 3.77 1.8 Agr 9ct 2.93 9 734 40 playty 51 d 32 14.0 5.6.25 3.8 1.1.4 0ct May 2300 15 5.73 Daskets 53 5p y 79 3.2 5.8 11.4 0ct May 2300 16 15 4.0 5.6.25 3.8 d 173.3 8.5 6.5 1.8 Feb-5cs 2329 19 3.80 England 1.0 5p y 133 8.5 5.8 1.8 Feb-5cs 2329 19 3.80 England 1.0 5p y 120 165.9 1.3 4.7 Jan July 1.425 17 19 19 19 19 19 19 19 19 19 19 19 19 19	74. Scritte Roar-Crap St.    229   512 3.0 (20.6 das. laty   122.4 scritte Roar-Crap St.    229   512 3.0 (20.6 das. laty   122.4 scritte Roar-Crap St.    229   512 3.0 (20.6 das. laty   122.4 scritte Roar-Crap St.    229	12. 2Tables 59
Hire Purchase, Leasing, etc.  63.1 langle Lessing 10p. y 43.3 CL 7 50p.	29   4.7   App Feb   1565   3.2   20cosais 2-2   1   19   10   8   255	48.26resps 20p	364   Febru Ching (2013)   348   627   647   648   648   757   649   650	30   30   30   30   30   30   30   30
BEERS, WINES & SPIRITS  2887 Zallited-Lyons	40.11 1.0 4.7 Apr Aug 1896 1.115.14   1.115.	15 34 Skormans Group 119, pr 52-1 2.2 5.0 20.6 Oct March 3512 7 605.6 Morthern Foods. at 274 10.0.4 9 4.7 Jung. Feb. 2536 5 10.5 Skorthern Foods. at 10.5 Skorthern Foods. at 110.5 Skorthern Foods. at 176 4.3 3.422.5 Jury Oct. 2540 1 115.5 Skorthern Foods. at 177 4.3 3.422.5 Jury Oct. 2540 1 115.5 Skorthern Foods. at 177 4.3 3.422.5 Jury Oct. 2540 1 115.5 Skorthern Foods. at 177 4.3 3.422.5 Jury Oct. 2574 1 1.3 3 Skorthern Foods. at 177 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	22 2 2 2 3.75 2 427. 3 November 2804 11.3 Naturna 100	1.52   1.54   1.55
288.0 Do. 5 kpc Cm Pri, 96.5 75% 8 0.23 5.5 Jan July 2788 11.3 McCramphorn 50n. 47 255 12.0 St. Schorts M. 555 12.0 St. Sch	1.0320.6   -2102.6   -21	399.4     312 & Lyre   1 or   373   72.01   4.1   6.5   189   107   417   6.5   79.5   6.5   79.5   6.5   79.5   6.5   79.5   6.5   79.5   6.5   79.5   6.5   79.5   6.5   79.5   7	44.6Hepworth	9.3 winstand Sect. 20.9 y 5.5 winstand Sect. 20.1 winstand Sect. 20.
BUILDING, TIMBER, ROADS  245.6\[ AMEC 50p	13.3 3.111.4 May Nov 2652 11.0 2.0 21.3 May Nov 2652 11.0 2.0 May Nov 2652 11.0 2.0 11.1 May Nov 2652 11.0 2.0 May Nov 2652 11.0 3.0 May Nov 2652 11.0 3.0 May Nov 2652 11.0 3.0 May Nov 2652 11.0 May	9,128Aberdeen St. 5s. y   76	- Languard Rh. Gr. 409.92.  - Languard Rh. 409.92.  - Lang	2. GAbbry Life 5
10 dBaldwin 100	1.1 3 1.0 20.6   6.777   91.2kUnitech lip	33 Skyan Hotels it 75. 33 Mil/St 5.028.9 Apri Sept 1477 22.4 Savey "A" 10p. 8 259 5.0 0.825.4 June 8723 22.4 Savey "A" 10p. 8 259 11.65 2.4 1.6 Apr Sept 4072 20.5 Statis 10p. 8 259 11.65 2.4 1.6 Apr Sept 4072 15.0 Statis 10p. 8 259 11.65 2.4 1.6 Apr Sept 4072 15.0 Statis 10p. 9 12.5 12.1 12.1 Apr Sept 4072 15.0 Statis 10p. 9 12.5 12.1 12.1 Apr Sept 4072 15.0 Statis 10p. 9 12.5 12.1 12.1 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.0 Statis 7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 1 0 132 12.5 12.7 Mar. 0cz. 0.9% 749 0.407 50.0 12.5 12.5 12.5 12.5 12.5 12.5 12.5 12.5	G.1   Keep Trust	E2 Ricen Accident
377.3CRN 5 2 133 (24.6 x 3.4 21.5 ) Oct. May 1972 18.04P ML 56. 41 1 1 202.0Caradon 50 8 334 8 03 3.2 23 5 Jan Aug 2069 18.04P ML 56. 5 12.5 (24.6 x 3.4 20.6 s 2.5 ) Jan Aug 2069 18.04P ML 56. 7 3.5 S 20.6 (25.6 x 3.4 20.6 s 2.5 ) Jan Aug 2069 18.04P ML 56. 7 3.5 S 20.6 (25.6 x 3.4 20.6 s 2.5 ) Jan Aug 2069 18.04P ML 56. 7 3.5 S 20.6 (25.6 x 3.4 20.6 s 2.5 ) Jan Aug 2069 18.04P ML 56. 7 3.5 S 20.6 (25.6 x 3.4 20.6 s 2.5 ) Jan Aug 2069 18.04P ML 56. 7 3.5 S 20.6 (25.6 x 3.4 20.6 s 2.5 ) Jan Aug 2017 19.0 (25.6 x 3.4 20.6 s 2.5 ) Jan	1.25 4.15.4	7 5548bertoyle Hidgs, 8p. v 128 3,920.6; Jan Jaty 1579 11 15.648bertoyle Hidgs, 8p. v 178 46.4,7 3.9 20.6; Jan Jaty 1579 12 41.14bertoyle Hidgs, 93 3,920.6; Jan Jaty 1579 12 41.14bertoyle Hidgs, 93 3,920.6; Jan Jaty 1579 12 50.8Aer do W brost 10.8 153 3,2 2.8 11.4 May Nov 156.4 127.1-5416-1281 48 55350; £354, £2554, 22554, 22554, 22554, 23511.4 Jan Jaty 1579 12 50.8 12.4 12.4 12.4 12.4 12.4 12.4 12.4 12.4	1.18 condon intrul 10n. gl 241 6.3 3.5 4.7 Oct Abril 2011 1 1 225 1 20 25 1 25 1	2.85a https://dx.doi.org/10.10.00/10.10
1.5 9/2505 509 97 189 17.9 3./11 4 May Get 2411 75.09505 300 175.0 200 11.1 18.4 450 mord 91695 100 9 35 5 10.8 2 911.4 Apr Cet 2421 75.5 more 76.0 5 5 10.5 355 40.5 12.7 15.9 5 tanky (A. 6.1.5 5 3515 40.5 12.7 15.9 12	5.63 2.411.4 AgrOct 1898 7.160Fristo (4.158018) 7 112 7 -11760 Revenuer 1898 7.160Fristo (4.158018) 7 116 21 2.422.6 1 3n July 1974 1.35 2.811.11 Mar. Oct. 4118 12.08roske 760 59	12.7[Ashler Ind. 15, 50, y 916 - 11.5 May Bro 1665 St. 9.98[Assoc. Br. Eng. Jp. y 44, 0.03 0, 91/283 - 16/3 3.07[b. 8pcCumCright]. 20th 8% 5.315.8 Mar. Sept. 1572 70 450.3 Assoc Brit Ports B 537 7.5 1.9114 May for 1675 4.69[eAssoc. Energy 50, y 67 - 285 - 1677 1.6 76] 4.69[eAssoc. Revis Servi ilon, 137 b2.0 1.9 - 4884 203.9[Astra AB B Sk12 2. 534] 91.6% 1.1114.5 Jan June 123.9[Astra AB B Sk12 2. 534] 91.6% 1.1114.5 Jan June 123.9[Astra AB B Sk12 2. 534] 91.6% 1.1114.5 Jan June 133.9[Astra AB B Sk12 2. 534] 91.6% 1.1114.5 Ja	79 J. Hisrae Riches AS) 5.1 320 (24C 3.7 - 35B3 313 32D (24C 3.7 - 35B3 312D (24C 3.7 -	### 1.50   1.50
25   1.5   2.5   2.7   3   3.5	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	11.1 Santett assoc. 30. y 98 12. 3. 3. 5. 1. 1. 1. 3. 4. 2. 4. 3. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 2. 5. 1. 5. 3. 4. 3. 1. 3.	17. 684 organ Cruchia.   235   10.5 7.72.4   3.4	Web





FINANCIAL TIMES TUESDAY A	UGUST 30 1988	LONDON SHARE SERVICE	25
LEISURE - Contd	PAPER, PRINTING,	TEXTILES—Contd TRUSTS, FINANCE, LAND—Contd OIL AND GAS—Contd MINES—	Contd
Size	ADVERTISING — Contd  Stanting	TRUSTS, FINANCE, LAND	
130 71.WT 58.mer 100 8 151. Zenadi Assure 100 9 153. G. acture in v. 100 9 154. G. acture in v. 100 9 155. G. acture in v. 100 9 156. G. acture in v. 100 9 157. Actual Assure 100 9 158. G. acture in v. 100 9 159. Actual Assure 100 9 159. Actual Control in v. 100 9 151. Spicturick 9 151. Actual Control in v. 100 9 151. Spicturick 9 151. Actual Control in v. 100 9 151. Actual Control in v. 100 9 151. Actual Control in v. 100 9 162. Actual Control in v. 100 9 163. Actual Control in v. 100 9 164. I 100 100 100 9 165. Actual Control in v. 100 9 166. Actual Control in v. 100 9 167. Actual Control in v. 100 9	11.78r/taneia 6rp. 5e. vi. 133 1.3.85 5.025.4 [962 705.60ritish tand	1.5 (West Tree 2 bp.	3.3c   9.3   Apr. Nov.   1714 1.0c   3.810.3   Jan Sept   2726 5.1   5.11.4   Dec App   2726 5.2   5.5   Dec App   2726 5.3   5.7   Dec App   2726 5.4   5.8   Dec App   2726 5.6   6.7   6.5   December   3440 1.6   1.8   September   3440 2.5   4.311.4   Oct July   4314
6.86 (Specium 5) 39 39.4 (Starty Letsure 17) 246 33.4 (Starty Letsure 17) 246 34.7 (Starty Letsure 17) 246 35.7 (Starty Letsure 17) 257 368.0 (Starty Letsure 17) 369 368.0 (Starty Letsure 17) 369 369 369 369 369 369 369 369 369 369	PROPERTY  66.0 (Allied Landon 190, p) 44.000.5 (pc for his Pri 111) 46.000.5 (pc for his Pri 111) 47.000.5 (pc for his Pri 111) 48.000.6 (pc for his Pri 111	Stack   Stack   Prior   Not   Prior   Left   Methods   130-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	50c12.611.1 Asp. Fab. 2216
MOTORS, AIRCRAFT TRADES	9.63 Dn. 7pcPf 51 2221 7% 4.220.1 Jame Dec 9978 7.92 Em & O'sen Fris Ib. 138 82.6 2.5	12-  13-  13-  14-  13-  13-  13-  13-  13-  13-  13-  13	RKET
14 Halefton Streamfine. v 164 5.0 4.0 6.6 Jan July 1730 6.2 Jan July 1730 1.2 Jan July 1730 1.3 July	191.24 response 125.04. 19 94.3 Grainger Trust	5.57/Danae (Boc.)	V VId Lext Dividends City- 18 5/5 of Paid line 25 1591 25 2.0 4.7 March 8559 25 2.0 4.7 March 8559 27 27 28 1972 28 1.725.4 2113 25 1.725.4 2283 26 1415 27 1415 28 1416 28 120
17-2Cartyros 50p	2.5.4 Centish Prop. 5p. v - 76	256.0Electra law. 71s	11 16.5 5062 3968 4655 4666 4667 - 1 2.3 25.4 Jame Dec 4206 4886 11 2.5 25.5 - 4886
19. Jacksone. 138 4.7 4.9 7.3 Feb Aug 1527 664 Shator. News. 139 77 22 2018.7 Feb Aug 1527 19. SRPP Hidgs 170 7 28 66. 2.4 7.3 Cct. April 1889 22. Sibartour Index. 286 5.2 6.618.7 Oct. April 1889 25. April start 14. 6 C. 1 7 465 26. Skiteshein Exhibits 5.9 4 665 27. Skiteshein Exhibits 5.9 4 669 27. Skiteshein Exhibits 5.9 4 679 27. Skiteshein	10. 9440cr04d Extex Mp. 132 3.2 5.75 3.8 1.8 4 4959 74.7 10. 5.25pc cm PL. y 98 5.25% 7.8 20.5 1.3 June 3428 74.7 10. 5.25pc cm PL. y 98 5.25% 7.8 20.5 1.3 June 3428 19. 51440catt Group 100. y 42 0.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 4.7 1 19. 5140 10.5 1.6 1 19. 5140 10.5 1.	7.5 Firming Jayres 1. 20. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	deferred offication ings permitted under rule inchange and company not ulation as listed securities.  scrip and/or rights issue, progress and/or reduced earnings thares not now ranking for scripted dividend.
PAPER, PRINTING,  ADVERTISING  7.2854TA Sciention Se. 4 41 1.8 1.925.4 Jun. June 11.94 33.8 Abbat Mr Vicks Se. 7 255 4.5 2.4 21.3 May Nov. 11504 17.0 6445 Spront Se. 8 36 2.4 21.3 May Nov. 11504 21.1 4645 Spront Se. 8 36 2.4 5.2 22.4 May Nov. 11504 34.4 645 Spront Se. 8 36 2.4 5.2 22.4 May Nov. 11504 35.1 4860 Paper 7 36 46.0 4.0 22.5 July Feb 16.00 31.1 4888 Design Gro Se 7 38 32.2 2.6 2.4 0ct. April 1179 32.3 Spront (Narred Se. 8 32.2 2.6 2.4 0ct. April 1179 33.8 Sentrote 9 217 33.8 Sentrote 9 217 33.8 Sentrote 9 217 34.4 7 June Det. 11850 35.4 Spront Street 100. 8 36 48 27 2.4 1 4 7 June Det. 11850 36.7 11.4 5 48 20 2.4 5 2.4 48 20 2.4 6 2.4	1.14   Scoreberg Prop. 50	78. / Jamespenton W.   5   1.46 Do. Warrants   79   1.46 Do. Warrants   79   1.46 Do. Warrants   79   1.46 Do. Warrants   70   1.28 S. Aug Feb   5001   1.28 S. Aug Feb   5	s or other orticial estimates of yield after pending scrip leid based on prospectus or Dividend and yield hased on for 1987-88. L. Estimated field based on prospectus or Dividend and yield based on for 1987. P. Figures based attes for 1987. B. Gross. R res assumed. W Pro formatip issue; m ex rights; m ex
20 16 nch & Co 100 7 342 8.0 2.9/25.4 Oct May 2384 4 3800 69 CP 107 189 1 190 4.5 6.0 111 Jan July 2668	12-Gray Styp 1	35.1 Moorgate lar. 18 4 251 6-3 3-318.7 Feb. Supp. 1945 1 1540b. Warrants 4 48 1 1 - 400 61.6 februs 95 8 369 61.0 februs 95 8 369	I inds
45 Spieces Globert 200. 4 90. 7 De. Noer Vet X. v 61. Histonecycin. 31.7 KS0.0 4.2 20.6 Apr Sept. 2925 12. Bish Gross 23.0 v 12. Bish Gross 23.0 v 13. All Sept. 200. 4.2 20.6 Apr Sept. 293 13. All Sept. 200. 5.1 Like Spieces 200. v 26. ZKLP Gross 50. v 27. Spieces 50. v 27. Spieces 50. v 27. Spieces 50. v 28. Spieces 50. v 29. Spieces 50. v	SHOES AND LEATHER  27 JF11 Grown  27 JF11 Grown  27 JF11 Grown  28 JF1 GF1 GF1 GF1 GF1 GF1 GF1 GF1 GF1 GF1 G	6.6 Manny Saist Markets, V 153	Peck. 30 Peck. 30 Dig Ord. 64 Intul. 36 Intul. 24 III Peck. 28 III Peck. 30 III III III III III III III III III I
2 Viginetine (March 100 200 324 4.7 March 1000 3 1 Viginetine (March 1200 324 7.0 2.9 1.18 Fail for 1004 1222 45mmth 120 320 324 7.0 2.9 1.18 Fail for 1004 1222 45mmth 120 320 320 320 320 320 320 320 320 320 3	TEXTILES  30. 4Aillief Textile	5.55Primadona	Olks  Gas. 15 tetroleum 24 an Oll 50 retroll 3 0 40 0 70 75 mar 26  Mines
10 (A) With Advertising (II) 10 (A)	3.94      1.50	1500 department PV F10   124,   107.27.5.   2.02.12   April   15852   February   158	spany dealt to or Stock door for a fee of £948 per

PRELIMINARY REPORT FOR THE TWELVE MONTHS ENDED 30 JUNE 1988 6.3 19.4 8.6 General trade 18.Î 7.9 34.3 32.2 935.5 886.3 957.6 768.7 49.2 188.9 35.3 39.6 38.3 Net income before taxation and extraordinary items ...... 1.3 146.3 12.1 35,3 (111.0) 1.7 (10.8) (Loss)/Income after taxation ...
Outside shareholders' interest 109.3 Net transfer from/(to) reserve for deferred taxation benefits 7.5 (32.8) (Loss)/Attributable income before 76.5 ·76.5 (Loss)/Attributable income for the year (27.9) Distribution in respect of permanent capital:

— Interest on compulsorily convertible debe 9.9 (37.8) 25.3 (Loss)/Retained income for the year. 97 Dividends per ordinary share (cents) 30 30 **BALANCE SHEET** 30.6.87 212.5 78.0 290.5 128.6 4|9.| 270.4 Permanent capital and ordinary reserve Reserve for deferred taxation benefits... 689.5 10.9 Permanent capital holders' interest.

Outside shareholder's interest...... 700.4 168.6 4.1 610.3 239.3 3.2 852.8 873.I Employment of capital: Fixed and mining assets (net). 18.6 852.8 873.l

Group operating income declined by R139.7 million to R49.2 million. The major factors causing this decline were the effects of the high South African inflation rate on working costs, the lower US dollar prices realised in export markets coupled with a stronger rand as measured in US dollars, and the higher rail tariffs on the

Richards Bay line.

2. Sundry income amounted to R10.1 million, and amortisation and net financing costs totalied R58.0 million, so that Group income before taxation was R1.3 million, compared to R146.3 million in the previous year. After providing R12.1 million for taxation, the Group incurred a loss after taxation of R10.8 million.

3. The need to provide a higher amount for taxation than the amount of profit before tax arises from a corporate structure under which losses incurred by some Group companies cannot be charged for taxation purposes against the income of the profitable ones. Proposals under the moratorium on transfer and stamp purposes against the income of the profitable ones. Proposals under the moratorium on transfer and stamp duty for a fundamental restructuring of the Group aimed at improving management control have been submitted to the Commissioner of Inland Revenue for consideration. If the Commissioner approves the proposals, the taxation problem should also be ameliorated.

4. Following a review of the Group's affairs, it was deemed prudent to make provisions totalling R24.6 million

4. Following a review of the Group's affairs, it was deemed prudent to make provisions totalling R24.6 million after tax for the following extraordinary items:

(a) R9.7 million in regard to previously deferred exhange rate losses. As part of the restructuring of the Group, three US dollar denominated loans originally due for repayment over the 1988 to 1990 financial years have been renegotiated in terms of the second interim debt standstill arrangements. In consequence, an amount of R72.5 million shown as short-term loans in the 1987 financial year has now been included under long-term loans. Rather than amortising the year end balance of the said losses over the longer period as is permitted under the Group's accounting policy, the full amount has now been expensed.
(b) R8.5 million has been provided for rehabilitation and closure costs in respect of previous years. This previously unquantified amount (refer to Note 21.2 in the 1987 Annual Report) has now been estimated in present day costs for both opencast and underground mines. Provision for this expected future liability is now made at present-day costs over the expected total life of the mine concerned.
(c) R6.4 million arising from the write-off of the unamortised balance of the assets of certain mining operations that have either been closed since the end of the financial year or are to be closed in the near future.

5. The loss attributable to shareholders, net of these extraordinary provisions, was thus R27.9 million. After interest of R9.9 million on the compulsorily convertible debentures, the total loss was thus R37.8 million and the distributable reserves of the Group have been correspondingly reduced from R128.6 million to R90.7

6. In view of the financial results reported above, the directors have resolved not to declare a final dividend, as was also the case with the interim dividend.

7. A fundamental review of all of the Group's operations continues with a view to ameliorating the current financial circumstances and certain remedial measures have already been implemented. However the recent improvement in the dollar prices achieved on export markets and the weakness of the rand against the US dollar have been of greater immediate significance. These changes enabled the Group to achieve a profit after tax of some R3 million in the first month of the new notal year and in the absence of adverse developments, this level of profitability should be maintained for th\_remainder of the year.

8. In contrast to this expectation of improved profitability, the Group's cash flow is likely to remain unsatisfactory in the immediate future. A tax assessment arising from a previous year (for which a deferred tax provision was made at the time), as well as the minimum tax on companies, in aggregate some R38 million, will need to be paid over the next two months. A capital expenditure programme of some R40 million is also planned. Nevertheless, on the basis of current forecasts, it should be possible to recommence dividend payments during the current year, though at a materially lower level than in the recent past.

B. P. GILBERTSON — Chairman H. J. SMITH — Managing Director

30 August 1988

Johannesburg 2001 (PO Box 61820 Marchelle

30 Ely Place

ECIN 6UA

Copies of the preliminary report are available from the Landon office.



#### WALES

The Financial Times proposes to publish this survey on:

19th September 1988

For a full editorial synopsis and advertisement details, please contact:

**CLIVE RADFORD** on Bristol (0272) 292565 Fax (0272) 225974

or write to him at: Merchants House, Wapping Road Bristol BS1 4RW

FINANCIAL TIMES

## US COMMODITIES PRICES

		•			•											_
					_							#QYA	BEAR OF	90,000 lbs; s	SECULIAR	<u> </u>
Ne	wY	ork			<u> </u>	COA 10 K	nnes;S/Ionne	<u></u>					Ciges	Previous	Helvin	_
						Close	Previous	High/Low				Sep	25.92	26.18	26.10	- 1
30TD	100 proy (	22 ; Storoy C	_	<u> </u>	Si	o 1258	1286	1266	1258			Oct	26.22	26.47	25.42	- }
	Close	Previous	High/Low	,	Di		τ296	1306.	1291			Dec	23.72	26.93	26.99 27.15	1
			433.0	429.5	M	r 1296	1291	1300	1296 1300			Jan	27.00	27.15	27.50	
Aug Coo	429,4 .430,4	432.1 433.1	430.0	429.5	M		1301	1313 1330	1320			Mar	27.25	27.45 27.70	27.80	
ep Xez	432.9	435.E	436.3	432.1	ju ju		1325 1345	1348	1348			May	27.42	27.35	27.50	- 1
<del></del>	439.7	441.4	4421	438.0	Se		1381	1385	1380			<u> </u>	27 27			
eb	444.9	447.6	447.0	444.0	De						•	HOYA	BEAN ME	AL 100 tonk	SALSAN	
Dr.	450.9	453.8	0	<b>0</b>	C	ATTE C	37,500(bs; ¢e						Ciose	Previous	High/Low	
m	456.9	459.5	456,0	455.0		Clos	Previous	High/Low							250.0	•
ng.	463.2	485.9	0	0 8 .	_			124,50	721.00			Sep	257 0	260 7 251.2	255.5	- :
<b>≠</b>	469.5	472.2	0	<u> </u>	Se	p 121,0		123.95	121.60			Oct	255.2 254.2	256.7	250.5	-
ATT	NUM 50 to	oy oz; \$itro	y 62.		De Mo			122.50	120.89	٠.		Dec	252.7	264.5	254.0	
_	Close	Pravious	High/Low		M:			122.00	120.20			Jen Mar	248.0	251.2	251.0	
								120.90	120.00			May	245.5	247.0	247.0	- 1
z	532.6	542.2	543,4	529.5	Se		8 119.34	0	0			Tay.	243.0	244.0	243.0	- :
n	537.5	546.B	548.1 550.0	534.0 540.5	De	119.0	Q · 119.30	Đ	.0		•	ALIQ	. 235.0	235.0	235.0	
i E	543.8 549.9	552.1 558.4	0	240.3 4		GAR WOR	1011 112 04	000 fest cen	te/ibs	-		Sep	227 5	226.0	297.0	:
:	556.9·	565.4	Ğ.	· 0 ·	-					'		44174	5 000 ha	min; cents/5	Or bushel	
_	*****					Close	Previous	High/Low							High/Low	~
LYE	R 5,000 tr	oy ez; cents	rardy OZ.		<u> </u>	1 10,03		10,24	9.96			_	Cides	PT BY CREE		_
	Close	Previous	High/Lov		Ja	n 5.90	9.37	0	0	•		Sep	274/4	277/2	276/0	. :
ю.	652.0	885.5	0	0	M		9.97	10.01	9.73 9.42	•		Dec	295/0	288/5	285/8	- }
e e	852.C	666.0	0.866	649.0	M		9.67	9,74 9.55	9.42			Mar	280/4	281/2	291/0	
7	658.0	572.0	0 .	0	<u>J</u> u		9.55 9.39	9.35 9.27	9.20		٠.	May	290/5	292/6	291/4 289/0	:
•	668.0	682.0	684.5	665.0	<u> </u>			. 9,21				ألوال	288/2	200/6	27710	- 1
n	673.4	887.4	677.0	677.0	C	TTON 50,	100; çents/lbs					Sep	273/0	279/0		
ir.	684.5	698.5	760.5	682.0		Clos	- Previous	High/Low				WHEA	7 5,000 be	min; cents/	PORP-PORPE	1
À	695.7	705.7	700.đ 720.0	700.0 710.0	_				62.25				Close	Previous	High/Low	
,	707.2 718.6	721.2 732.6	725.0	722.0	O			54.25 52.15	50.25						388/0	-
•	735.9	749.9	0	· 6	De Ma			52.00	50.35			Sep	387/6	390/0 404/0	404/0	
_				<del></del>	,			52.20	50.70			Dec	403/6 406/8	408/2	407/0	- 2
_	BR 25,000	lbs; cents/f		<u> </u>	Ju		50.75	52.50	\$1.15		•	Mer May	387/6	380/4	382/4	
	Close	Previous	High/Low	,	•			53.25	52,00			Jui	352/0	353/0	354/0	. :
<u>-</u>	102.85	103.15	103.00	102.65	. <u>De</u>			53.00	51.85				ATT 5 40	1,000 lbs; con	cs/lbs	
Ď	102.55	103.05	102.90	102.05	Of	RANGE JU	CE 15,000 lbs	centa/lbs				UTE C			High/Low	_
Ż	101.75	102.25	0	0	_	Close	Previous	High/Low					Close	Previous		
R;	100.20 28.65	100.75	100.80	99.70 ·	. =			192.10	190.70		-	Oct	73.22	72.97	73.47	7
		100.05			Se											- 1
		199.05 95.75	0 ° 95.76	95.00	-	p 1914			181.10			Dec	73.65	73.60	73.67	
	95.55 92.90	199.05 95.75 92.95	95.76 92.50	92.45	No.	w 181.6	5 182.85	182.50 173.30	181.10 172.20			Feb .	74,00	74.25	74.42	3
y I	95.55 92.90 90.75	95.75 92.95 90.85	95.76 92.50 90.00	92.45 89.70	No Jo M	w 181.6 n 172.5 n 169.9	5 182.85 0 173.35 5 170.50	182.50 173.30 170.00	172.20 1 <b>69</b> .50			Fáb Apr	74,00 75.32	74.25 75.52	74.42 75.70	7
ry I P	95.55 92.90 90.75 88.70	95.75 92.95 90.85 88.70	95.76 92.50 90.00 0	92.45 89.70 0	No.	w 181.6 n 172.5 pr 169.9 ny 168.3	5 182.85 0 173.35 5 170.50 0 168.95	182.50 173.30 170.00 167.50	172,20 169,50 167,50			Féb Apr Jun	74.00 75.32 74.35	74.25 75.52 74.40	74.42 75.70 74.67	3
P C	95.58 92.90 90.75 88.70 86.50	95.75 92.95 90.85 88.70 86.35	95.75 92.50 90.00 0	92,45 89,70 0	Ne Je M: M: Ju	w 181.6 n 172.5 pr 169.9 ny 168.3 i 167.3	5 182.85 0 173.35 5 170.50 0 168.85 0 167.96	182.50 173.30 170.00 167.50	172,20 169,50 167,50 0			Féb Apr Jun Aug	74,00 75,32 74,35 71,90	74.25 75.52	74.42 75.70 74.67 72.10 0	7
P C	95.58 92.90 90.75 88.70 86.50	95.75 92.95 90.85 88.70	95.75 92.50 90.00 0	92,45 89,70 0	No Je M M Ju Se	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.2 np 168.3	5 182.85 0 173.35 5 170.50 0 168.95 0 167.96 0 166.95	182.50 173.30 170.00 167.50 0	172.20 169.50 167.50 0			Féb Apr Jun	74.00 75.32 74.35	74.25 75.52 74.40 71.95	74.42 75.70 74.67 72.10	7
P P	95.58 92.90 90.75 88.70 86.50	95.75 92.95 90.85 88.70 86.35	95.75 92.50 90.00 0	82.45 89.78 0 0	Ne Je M: M: Ju	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.3 np 166.3 ny 186.3	5 182.85 0 173.35 5 170.50 0 168.95 0 167.96 0 166.95 5 168.95	182.50 173.30 170.00 167.50	172,20 169,50 167,50 0			Feb Apr Jun Aug Sep Oct	74,00 75,32 74,35 71,90 71,25 71,30	74.25 75.52 74.40 71.95 71.50 71.50	74.42 75.70 74.67 72.10 0 71.60	
PEUD	95.58 92.90 90.75 88.70 88.50 E OIL (L) <sub>5</sub> Latest	95.75 92.95 90.85 88.70 86.35 pht) 42,000 U	95.76 92.50 90.00 0 0 IS galls \$/	92.45 89.70 0 0 berrel	Ne Je Ma Ju Se Ne Ne	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.2 np 168.3	5 182.85 0 173.35 5 170.50 0 168.95 0 167.96 0 166.95 5 168.95	182.50 173.30 170.00 167.50 0	172,20 169,50 167,50 0 0			Feb Apr Jun Aug Sep Oct	74,00 75,32 74,35 71,90 71,25 71,30	74.25 75.52 74.40 71.95 71.50 71.50	74.42 75.70 74.67 72.10 0 71.60	-
PEUD	95.58 92.90 90.75 88.70 88.50 E Off. (Us Latest	95.75 92.95 90.85 88.70 86.35 pht) 42,000 U Previous	95.75 92.50 90.00 0 0 8 gails \$/	82.45 89.78 0 0	Ne Je Ma Ju Se Ne Ne	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.2 np 168.3	5 182.85 0 173.35 5 170.50 0 168.95 0 167.96 0 166.95 5 168.95	182.50 173.30 170.00 167.50 0	172,20 169,50 167,50 0 0			Feb Apr Jun Aug Sep Oct	74,00 75,32 74,35 71,90 71,25 71,30	74.25 75.52 74.40 71.95 71.50 71.50	74.42 75.70 74.67 72.10 0 71.60	-
P C UED	95.55 92.90 90.75 88.70 86.50 E Off. (Ug Letest 15.15 15.16 15.23	95.75 92.95 90.95 90.95 88.70 86.35 pht) 42,000 U Previous 15.34 15.34 15.37	95.75 92.50 90.00 0 0 IS galls \$/ High/Low 15.33 15.40	92,45 89,70 0 0 berrel 7 15,14 15,15 15,22	Ne Je Ma Ju Se Ne Ne	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.2 np 168.3	5 182.85 0 173.35 5 170.50 0 168.95 0 167.96 0 166.95 5 168.95	182.50 173.30 170.00 167.50 0 0	172,20 169,50 167,50 0 0			Feb Apr Jun Aug Sep Oct	74,00 75,32 74,35 71,90 71,25 71,30	74.25 75.52 74.40 71.95 71.50 71.50 Previous 41.05	74.42 75.70 74.67 72.10 0 71.60 High/Low 40.85	
	95.58 92.90 90.75 88.70 88.50 E Off. (U) Latest 15.15 15.16 15.23 15.30	95.75 92.95 90.85 88.70 86.35 pht) 42,000 U Previous 15.34 15.37 15.45	95.76 92.50 90.00 0 0 IS galls \$/ High/Low 15.33 15.33 15.40 15.42	92,45 89,70 0 0 berrel 15,14 15,15 15,22 16,29	Ne Je Ma Ju Se Ne Ne	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.2 np 168.3	5 182.85 0 173.35 5 170.50 0 168.95 0 167.96 0 166.95 5 168.95	182.50 173.30 170.00 167.50 0 0	172,20 169,50 167,50 0 0			Feb Apr Jun Aug Sep Oct LIVE I	74,00 75,32 74,35 71,90 71,25 71,30 HOGS 30,0 Closes 39,95 42,90	74.25 75.52 74.40 71.95 71.50 71.50 Previous 41.05 43.45	74.42 75.70 74.67 72.10 9 71.60 High/Low 40.85 43.50	-
	95.55 92.90 90.75 88.70 86.50 E Off. (Ug Latest 15.15 15.16 15.23 15.30 15.30	95.75 92.95 90.85 88.70 86.35 ph) 42,000 L Previous 15.34 15.37 15.45 15.45	95.76 92.50 90.00 0 0 IS galls \$/ High/Low 15.33 15.33 15.40 15.42	92,45 89,70 0 0 berrel v 15,14 15,15 15,22 15,29 15,30	Ne Je Mi Je Je Je Je	7 151.6 172.5 172.5 168.5 168.3 166.3 166.3	5 182.85 0 173.35 5 170.50 0 168.85 0 167.95 168.95 5 168.95	182.50 173.30 170.00 167.50 0 0	172,20 169,50 167,50 0 0			Apr Jun Aug Sep Oct LIVE I	74,00 75,32 74,35 71,90 71,25 71,30 10G8 30,0 Close 39,95 42,90 48,45	74.25 75.52 74.40 71.95 71.50 71.50 000 lb; contact Previous 41.05 43.45 45.85	74.42 75.70 74.67 72.10 0 71 60 High/Low 40.85 43.50 45.60	7
	95.58 92.90 90.75 88.70 88.50 E Oil. (Lig Latest 15.15 15.16 15.23 15.30 15.36	95.75 92.95 90.85 88.70 86.35 ptrj 42,000 U Previous 15.34 15.37 15.45 15.45 15.45	95.76 92.50 90.00 0 0 8 gails \$/ High/Low 15.33 15.40 15.42 15.42 15.42	92.45 89.70 0 0 berrel 15.14 15.15 15.22 15.29 15.30 15.34	Ne Je Mi Je Je Je Je	7 151.6 172.5 172.5 168.5 168.3 166.3 166.3	5 182.85 0 173.35 5 170.50 0 168.85 0 167.95 168.95 5 168.95	182.50 173.30 170.00 167.50 0 0	172,20 169,50 167,50 0 0			Apr Jun Aug Sep Oct LIVE I	74,00 75,32 74,35 71,90 71,25 71,30 10,08 30,0 Close 39,95 42,90 46,45 44,32	74.25 75.52 74.40 71.95 71.50 71.50 900 lb; comm/ Previous 41.05 43.45 44.57	74.42 75.70 74.67 72.10 0 71 50 biss High/Low 40.85 43.50 45.60 44.65	·
,	95.55 92.90 90.75 88.70 86.50 E Off. (Ug Latest 15.15 15.16 15.23 15.30 15.30	95.75 92.95 90.85 88.70 86.35 ph) 42,000 L Previous 15.34 15.37 15.45 15.45	95.76 92.50 90.00 0 0 IS galls \$/ High/Low 15.33 15.33 15.40 15.42	92,45 89,70 0 0 berrel v 15,14 15,15 15,22 15,29 15,30	Ne Je Mi Je Je Je Je	w 181.6 n 172.5 pr 169.5 ny 168.3 i 167.2 np 168.3	5 182.85 0 173.35 5 170.50 0 168.85 0 167.95 168.95 5 168.95	182.50 173.30 170.00 167.50 0 0	172,20 169,50 167,50 0 0			Apr Jun Aug Sep Oct LIVE I	74,00 75,32 74,35 71,90 71,25 71,30 10,68 30,0 Close 39,95 42,90 48,45 44,45 44,85	74.25 75.52 74.40 71.95 71.50 71.50 000 lb; contact Previous 41.05 43.45 45.85	74.42 75.70 74.67 72.10 0 71 60 High/Low 40.85 43.50 45.60	
	95.55 92.90 90.75 88.70 86.50 E OIL (Up Latest 15.15 15.16 15.23 15.30 15.30 15.36 15.35	95.75 92.95 90.95 88.70 88.35 pht) 42,000 U 75.34 15.34 15.35 15.45 15.45 15.45 15.45 15.45 15.45 15.45	95.76 92.50 90.00 0 0 8 galis \$/ High/Low 15.33 15.33 15.42 15.42 15.38 15.38 15.42 15.38	92.45 89.70 0 0 berried V 15.14 15.15 15.22 15.26 15.30 15.34 15.34 15.34	M M M Ju Se N Je	72.5 pr 169.5 pr 169.5 pr 168.3 pr 166.3 pr 166.3	182.85 173.35 170.90 168.95 168.95 168.95 168.95 168.95 168.95	182.50 173.30 170.00 167.50 0 0 0	172.20 169.50 167.50 0 0 0			Apr June Aug Sep Oct LIVE †	74,00 75,32 74,35 71,90 71,25 71,30 10,08 30,0 Close 39,95 42,90 46,45 44,32	74.25 75.52 74.40 71.95 71.50 71.50 Previous 41.05 43.45 45.85 44.57 48.17	74.42 75.70 74.67 72.10 9 71 50 ibs High/Low 40.85 43.50 45.60 45.	,
Y	95.58 92.90 90.75 88.70 86.50 E Off. (Ug Letest 15.15 15.16 15.23 15.30 15.30 15.35 15.35 15.34	95.75 92.95 90.95 88.70 96.35 phi) 42,000 L Previous 15.34 15.37 15.45 15.45 15.45 15.45 15.45 15.45	95.75 92.50 90.00 0 0 IS galls \$/ High/Low 15.33 15.33 15.40 15.42 15.42 15.42 15.42	92.45 89.70 0 0 berrel 15.14 15.15 15.22 15.29 15.34 15.34	M M M Ju Se N Je	7 187.6 n 172.5 n 169.5 n 168.3 n 166.3 n 166.3	182.86 173.35 170.90 168.95 168.95 166.95 166.95 168.95 168.95	182.50 173.30 170.00 167.50 0 0 0 0	172_20 169_50 167_50 0 0 0			Apr Jun Aug Sep Oct LIVE I	74,00 75,32 74,35 71,90 71,25 71,30 10068 30,0 Close 39,95 42,90 46,45 44,32 47,95 48,90	74.25 75.52 74.40 71.95 71.50 71.50 71.50 Previous 41.05 43.45 45.85 44.57 48.17 49.00	74.42 75.70 74.67 72.10 0 71.50 High/Low 40.85 43.50 44.65 48.50 44.65 48.25 49.10	-
Pe UD	95.55 92.90 90.75 88.70 98.50 E Off. (U) Latest 15.15 15.16 15.23 15.30 15.30 15.35 15.35 15.40 15.40	95.75 92.95 90.95 88.70 88.35 pht) 42,000 U Previous 15.34 15.37 15.45 15.45 15.45 15.45 15.45 15.45 15.45	95.76 92.50 90.00 0 0 85 galls \$* 15.33 15.40 15.42 15.39 15.39 15.38 15.39 15.38	92.45 89.70 0 0 berried 15.14 15.15 15.22 15.26 15.30 15.34 15.34 15.34 15.40	M M M M Ju Se N Ju	181.6 172.5 187.6 189.9 189.9 198.3 197.3 196.3 196.3 196.3 196.3 196.3 196.3 196.3 196.3	182.85 173.35 170.90 168.95 168.95 166.95 166.95 168.95 168.95	182.50 173.30 170.00 167.50 0 0 0 0 0 0	172.20 189.50 167.50 0 0 0			Apr Jun Aug Sep Oct LIVE I Dec Feb Apr Jul Aug Oct	74,00 75,35 71,90 71,25 71,90 71,25 71,30 Ciosa 39,95 42,90 46,43 44,32 47,02 45,30	74.25 75.52 74.40 71.95 71.50 71.50 71.50 900 lb: contell 41.05 43.45 45.85 44.57 48.17 49.00 47.05 45.90	74.42 75.70 74.67 72.10 9 71 50 biss High/Low 40.85 43.50 45.60 45.60 46.65 48.25 49.10 0 45.50	-
	95.55 92.90 90.75 88.70 98.50 E Off. (U) Latest 15.15 15.16 15.23 15.30 15.30 15.35 15.35 15.40 15.40	95.75 92.95 90.95 88.70 88.35 ght) 42,000 U Previous 15.34 15.37 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45	95.75 92.50 90.00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	92.45 89.70 0 0 15.14 15.15 15.22 15.30 15.34 15.34 15.34 15.40 15.40 US galls	Manual Ma	181.6 1 187.6	182.85 173.35 170.50 1 168.95 1 168.95 1 168.95 1 168.95 1 168.95 1 168.95 1 168.95	182.50 173.00 167.50 0 0 0 0 0 0 0 High:La	172.20 169.50 167.50 0 0 0 0			Apr Jun Aug Sep Oct LIVE I Dec Feb Apr Jul Aug Oct	74,00 75,35 71,90 71,25 71,90 71,25 10,08 50,0 Close 39,95 42,90 48,45 44,32 47,02 45,30 8ELLES	74.25 75.52 74.40 71.95 71.50 71.50 71.50 000 lb; conte/l Previous 41.05 43.45 45.85 44.57 48.17 49.00 47.05 45.90 38,000 lbs; co	74.42 75.70 74.67 72.10 9 71 60 biss High/Low 40.85 43.50 44.65 48.25 48.25 49.10 0 45.50 ents/ib	
Pe UE	95.55 92.90 90.75 88.70 88.50 E Off. (Lig Letters: 15.15 15.16 15.23 15.30 15.30 15.30 15.30 15.34 15.40 15.40	95.75 92.95 90.95 88.70 88.35 ght) 42,000 U 15.34 15.37 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.45 15.46 2.000 US ga Previous	95.75 92.50 90.00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	92.45 80.70 0 0 15.14 15.15 15.22 15.29 15.34 15.34 15.34 15.34 15.40 15.40	Signatural Signatura Sign	181.6 172.5 187.6	182.85 177.35 177.35 177.90 182.95 187.96 187.96 186.95 168.95 168.96	182.50 179.30 170.00 167.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	172.20 189.50 167.50 0 0 0 0 0			Apr Jun Aug Sep Oct LIVE I Dec Feb Apr Jul Aug Oct	74,00 75,35 71,90 71,25 71,90 71,25 71,30 Ciosa 39,95 42,90 46,43 44,32 47,02 45,30	74.25 75.52 74.40 71.95 71.50 71.50 71.50 900 lb: contell 41.05 43.45 45.85 44.57 48.17 49.00 47.05 45.90	74.42 75.70 74.67 72.10 9 71 60 High/Low 40.85 43.50 44.65 48.25 49.10 0 45.50 ents/ib	
P C UD	95.55 92.90 90.75 88.70 88.50 E Oil. (Us 15.15 15.15 15.23 15.30 16.30 16.30 15.35 15.40 15.40 15.40 NG OIL 4 Latest	95.75 92.95 90.85 90.85 88.70 88.35 9hij 42,000 U Previous 15.34 15.45 15.46 15.46 16.46 1	95.75 92.50 92.50 0 0 85 galls \$* High/Low 15.33 15.33 15.42 15.42 15.42 15.42 15.42 15.42 15.40 15.42 15.40 15.40 15.40	92.45 89.78 0 0 berriel 15.14 15.15 15.22 15.29 15.34 15.34 15.34 15.40 15.40 15.40 15.40 15.40 15.40 15.40 15.40 15.40 15.40	Miles	181.6 172.6 187.6	182.85 173.35 170.50 188.95 188.95 166.95 166.95 168.95 168.95 168.96	182.50 170.00 167.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	172.20 167.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			Apr Jun Aug Sep Oct LIVE I Dec Feb Apr Jul Aug Oct	74.00 75.35 71.95 71.95 71.90 1008 30.0 Closs 39.95 42.90 45.45 44.35 44.90 47.02 45.00 8ELLES Closs	74.25 75.52 74.40 71.95 71.50 71.50 71.50 Previous 41.05 43.45 45.85 44.57 48.17 49.00 47.05 45.90 38,000 lbs; centeri	74.42 75.70 74.67 72.10 0 71 50 High/Low 40.85 49.50 44.65 49.50 44.65 49.10 0 45.50 high/Low high/Low	
The Life of the li	95.55 92.90 90.75 88.70 88.50 E Oil. (Us 15.15 15.16 15.23 15.30 15.30 15.30 15.36 15.36 15.40 15.4	95.75 92.95 90.85 88.70 88.35 pht) 42,000 U Previous 15.34 15.37 15.45 1	95.75 92.50 92.00 0 0 85 galls \$2 Hight on 15.33 15.42 15.42 15.42 15.42 15.40 15.40 15.40 15.40 15.40 4260 4260	92.45 89.70 0 0 0 berriel 15.14 15.15 15.22 15.26 15.30 15.34 15.34 15.34 15.40 15.40 US galls	Sich Sich Sich Sich Sich Sich Sich Sich	181.6 172.5 187.6	182.85 170.50 170.50 168.95 167.95 168.95 168.95 168.95 168.95 168.96	182.50 173.00 167.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	172.20 189.50 167.50 0 0 0 0 0			Feb Apr Jun Aug Sep Oct LIVE I	74,00 75,35 71,90 71,25 71,30 Close 39,95 42,90 45,45 44,32 47,02 45,30 Close 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52 52,82 52,	74.25 75.52 74.40 71.95 71.50 71.50 71.50 71.50 71.50 71.50 71.50 41.05 43.45 45.85 44.57 48.17 48.17 48.90 47.05 45.80 97.90 54.82 55.20	74.42 75.70 74.67 72.10 9 71 50 High/Low 40.85 43.50 45.50 44.65 49.25 49.10 0 45.50 Nigh/Low 54.62 54.62 54.62	
BY PRE TO THE PROPERTY OF THE	95.55 92.90 90.75 88.70 88.50 E Off. (Us Latest 15.15 15.15 15.23 15.30 15.30 15.30 15.30 15.40 15.40 NG Off. 4 Latest 4235 4290 4370	95.75 92.95 90.95 88.70 88.35 ght) 42,000 U Previous 15.34 15.37 15.45 15.46 400 US gas Previous	95.75 92.50 90.00 0 0 8 galls \$/ High/Lox 15.33 15.33 15.42 15.42 15.42 15.42 15.42 15.40 15.40 15.40 4280 4280 44410	92.45 89.70 0 0 berrrel v 15.14 15.15 15.22 15.29 15.34 15.34 15.34 15.34 15.40 15.40 US galla v	Miles	181.6 172.5 187.6	182.85 173.35 170.90 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95	182.50 170.00 167.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	172.20 189.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			Feb Apr Jun Aug Cet Pork Feb Mar May	74.00 75.35 71.95 71.95 71.90 1008 30.0 Close 39.95 42.90 46.45 44.32 46.45 44.32 45.30 8ELLES 52.82 53.25 52.82 53.25	74.25 75.52 74.40 71.95 71.50 71.50 Previous 41.05 43.45 45.85 44.57 49.00 47.05 45.90 38,000 lbs; cented	74.42 75.70 74.67 72.10 0 71 50 High/Low 40.85 43.50 44.65 49.10 0 45.50 High/Low 54.62 55.60	
ct ov ec en eb ler pr ley un	95.55 92.90 90.75 88.70 88.50 E Oil. (Us 15.15 15.16 15.23 15.30 15.30 15.30 15.36 15.36 15.40 15.4	95.75 92.95 90.85 88.70 88.35 pht) 42,000 U Previous 15.34 15.37 15.45 1	95.75 92.50 92.00 0 0 85 galls \$2 Hight on 15.33 15.42 15.42 15.42 15.42 15.40 15.40 15.40 15.40 15.40 4260 4260	92.45 89.70 0 0 0 berriel 15.14 15.15 15.22 15.26 15.30 15.34 15.34 15.34 15.40 15.40 US galls	Signatura in the state of the s	181.6 n 172.5 n 172.5 n 172.5 n 172.5 n 183.3 n 185.3	182.85 173.35 170.90 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95 168.95	182.50 170.00 167.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	172.20 189.50 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			Feb Apr Jun Aug Sep Oct LIVE I	74,00 75,35 71,90 71,25 71,30 Close 39,95 42,90 45,45 44,32 47,02 45,30 Close 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52,82 52 52,82 52,	74.25 75.52 74.40 71.95 71.50 71.50 71.50 71.50 71.50 71.50 71.50 41.05 43.45 45.85 44.57 48.17 48.17 48.90 47.05 45.80 97.90 54.82 55.20	74.42 75.70 74.67 72.10 9 71 50 High/Low 40.85 43.50 45.50 44.65 49.25 49.10 0 45.50 Nigh/Low 54.62 54.62 54.62	7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7

#### MOBILE COMMUNICATIONS

The Financial Times proposes to publish a Survey on the above on

12th September 1988

For a full editorial synopsis and advertisement details, please contact:

#### Stephen Dunbar-Johnson

on 01-248-8000 ext 4148 or write to him at: Bracken House, 10 Cannon Street London EC4P 4BY.

TRINIDAD AND

The Financial Times proposes to publish this survey on: MONDAY 3RD OCTOBER 1 3 - 4 - 5 M F

-2 #1:27g T STEELING

MARKETS

in the

IN MOCING

BMOLAND

HANCE IN

For a full editorial synopsis and tvertisement details, please contact

NIGEL BICKNELL on 01-248 8000 ext 3447

**FINANCIAL TIMES** 

#### American Express Bank Gold Card **Overdraft Account**

With effect from 30th August 1988 the rate of interest applicable to American Express Bank Gold Card Overdraft accounts has been increased to 1.28 per cent per month, and the Agreements with all holders of such accounts will be so varied.

**Effective Annualised** Interest Rate 16.4 per cent



red liability in the State of Connecticut, U.S.A.

#### **American Express Personal Reserve Overdraft Account**

With effect from 30th August 1988 the rate of interest applicable to American Express Personal Reserve Overdraft accounts has been increased to 1.63 per cent per month, and the Agreements with all holders of such accounts will be so varied.

**Effective Annualised** Interest Rate 21.4 per cent



#### THE **NETHERLANDS**

The Financial Times proposes to publish this survey on:

#### 10th October 1988

For a full editorial synopsis and advertisement details, please contact:

Mr Richard Willis on Amsterdam 23 94 30/22 56 68

or write to him at:

Financial Times (Benelux) Ltd Herengracht 472, 1017 CA Amsterdam

FINANCIAL TIMES

#### INTERNATIONAL BOURSES

The Financial Times proposes to publish this survey on:

21st September 1988

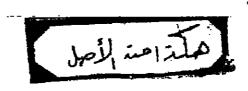
For a full editorial synopsis and advertisement details, please contact:

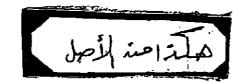
> **RUTH PINCOMBE** on 01-248 8000 ext 3428

or write to her at:

Bracken House 10 Cannon Street London EC4P 4BY

FINANCIAL TIMES





#### CURRENCIES, MONEY AND CAPITAL MARKETS

#### FOREIGN EXCHANGES

## Dollar firmer in low trading volume

By Jones Crosland

THE DOLLAR edged slightly firmer in European currency markets yesterday, and continued to show a small improvement from the start of trading in New York.

Trading volume was relatively low, in part owing to the closure of London and Hong Kong, and traders reported that the dollar's rise reflected in the main light profit-taking in European currencies after in European currencies after last week's dollar fall.

In Frankfurt the dollar was fixed at DMI 8668, compared with Friday's close of DMI 8585 in London, and the Bundes-

£ IN N	EW YORK	•
Aug.26	Latest.	Provious Clase
£ Spet	1.6975-1.6985 0.52-0.51pm 1.41-1.39pm 4.10-4.05cm	1.6970-1.6980 0.67-0.46pm 1.28-1.26pm 3.66-3 60pm
Forward greenly	ms and discounts ap	ply to the US dollar

STERLING INDEX

	,	LICHWE .
8.50 am	75.8 75.8 75.7 75.5 75.5 75.5 75.6	75.8 75.8 75.8 75.6 75.6 75.7 75.9

CHORENCY DATES

- CARE	SOURCE NAIS					
Aug.26	Back rate %	Special* Drawing Rights	Europeae Currency Unit.			
Sterling U S Dollar Comelian S Acsit on Sch Beigian Franc Danish Krone Danish Krone Danish Krone French Franc Italian Lira Japanser Yen Kroney Krone Sponish Peseta Swrish Franc Swrish Franc Greek Dwach Irish Punt	*90.47 ************************************	0.768503 1.29339 1.59630 17.0663 50.9822 2.42692 2.42692 2.74781 8.26476 1808.19 173.185 N/A 159.495 8.34754 2.04679 195.134	0.657201. 1.11207 1.13749 1.4.5826. 43.9726. 43.97244 2.07401. 2.34213 7.04831. 1540.66 7.65383 136.918 7.16226 1.75096 1.6774855			

**CURRENCY MOVEMENTS** 

Aug.26	Bank of England Index	Morgan <sup>as</sup> Georgety Changes %
Sterling J.S Ooklar J.	75.6 99.2 99.2 97.9 99.0 144.4 165.6 152.6 45.0 259.4	-163 -90 +39 +59 +61 +02 +309 +194 +133 -151 -210 +774
Morgan Guaranty 982 = 100, Sant of 975 = 100) Pates are	Engined Index	Base Average

OTHER CURRENCIES

O : ,	r atmes	
Aug.26	£	5
Argentina	20.0970 - 20.2440	11,9200 - 12,6000
Australia	2,0755-2,0785	1.2320 - 1.2330
ـــــب البجه	474.15-476.75	281.25-262.60
Finises	7,4495-7,4730	14265-14285
Greece	253 00 - 257,10	149.35-153.75 ***
	13.1370-13.1535 120.50*	7.8025-7,9045 70.75°
áran Korea(Skiu)	1220.20-1230.00	738.80-724.60 .
Kuruk	0.47980 - 0.48060	0.28450 - 0.28480
Lozeobours	65.80-65.90	38.90 - 48.00
Malaysia	4.4695-4.4905	2655-26575
Mexico	3845,75 - 3846,60	2281.00 - 2292.00
N. Zerdani	2,6800 - 2,6859	1.5905 - 1.5930
Sandi Ar	63540-63560	3,7495-3,7505
Stronger	3.4230-3.4225	20325-20345
S. Ai (Cm)	4.0660-4.0770	24155-24178 34685-35000
S. Af (Fe)	5,8090 - 5,9110	28.65-28.75
alwan	48,75-49.00 6,1935-6,1990	34725-34735
U.A.E	811733-011770	3,0123 - 3,0130

FORWARD RATES

**NDS** 

 $12 \leq N$ 

AQ	AGAINST STERLING				
	Spot	l mb	3 miles	e milit	겨췰
US Dollar D-mark French Fr. Swiss Fr. Yes	1.6900 3.1400 10.660 2.6500 226.00	1.6848 3.1215 10.636 2.6305 224.56	1.6763 3.0882 10.650 2.5960 222.00	1,6653 3 0420 10,643 2,5486 218,23	1.646 2.956 10 62 2.458 211.4

**MONEY MARKETS** 

## Rates finish lower in Frankfurt

SHORT-TERM interest rates were sharply lower in Frankfurt yesterday, due largely to end-of-month technical factors. Call money slipped to 3.5-4.0 p.c. from 4.50-4.60 p.c. on Friday, as commercial banks tried to offload excess liquidity built up earlier in the month.

However, despite last week's

However, despite last week's comments by Mr Karl Otto Poehl, the Bundesbank president, that the authorities were unlikely to increase the key sale and repurchase rate from 4.25 p.c., dealers remain con-cerned that further currency intervention to support the D-Mark would create renewed upward pressure on rates.

ted to offer a one or two-month facility at a variable rate. Unlike the current variable system - which the Bundesbank has not used this year where commercial banks are allocated funds at the lowest accepted bid rate, funds are now expected to be allocated at now expected to be allocated at the rate at which each bank FT LONDON INTERBANK FIXING 6 months &S Dollars U.1.00 a.m. Aug.26) 3 months US dollars

BANK OF	INGL	AND T	REASURY BIL	L TEN	DER
		24   409 19		Aug.2	19 Aug.19
BUTS on offer		- I (487 -	Liverage pair of discount,		7,00.7675 7,00.7308 7,01.0258
Total eligation	C10	20 E97 315	Ruerane yield		% 01.0258* £100m
WEEKLY	CHANG	E IN V	YORLD INTER	ST R	TES
41 2000	Aug 26	charge	<b>T</b>	Atte 26	clunge
LONDON Har cales	12	+100	NEW YORK	10	Unch'd
day interback	12,	1	Peteral Funds	7.55 7.86 8.425	+0.28
march interbank		1 257	F PROFILEDAL SAGE	7.88 .	-0.05
Rand I Bills	113	****	3 Mtb. CD	5.625	+9.250
Band 2 PHs	-  }}	1 25	FRANKFURT	5.00	Unch'd Unch'd
Daniel & Brille	.) 118	1 +1	Can mile, interback	5.075 5.325	Unch'd Unch'd
3 Mils Treatery Bill	1 1111	1 71	Three incests	صد	-
1 Mark Bank Balls	: iic	12	PARIS Intervention Rate	6.75	Decir'd
TRICYO	1		One cash, letter took	選	13
One mouth Bills	4.15625	Unch'd	These beach	. <del>•</del>	. **
There exects \$215	1, 4,0515	. ·	MEAN .	101	
One month	72	12:	Three month	104	
Tires worth	72	, +A	DUBLIE		l
MSTERONI	ļ	Ded's	One month	73	Unch's
One month	. 54	1 644	Torse month	E.	I +4.

The finding reaso are the artifemetic elegate regarded to the represt one-sizioseth, of the hid and offered rates for \$10m prography the energy to face represes banks at \$1.00 a.m. buch working they. The banks are Hational Westminsto

and the Bundesbank's determination to support the D-Mark. Yesterday's quieter trading session gave dealers time to assess the dollar's short term direction. Last week's intervention by central banks was successful in restricting upward pressure on the dollar, and then by driving it lower; how-

There was no obvious intervention outside the fixing and later in New York, the dollar rose to DM1.8720.

Most institutions are still digesting last week's rise in West German interest rates and the Bundesbank's determination to support the D.Mark replayment figures for a further rise in non-farm parion to support the D.Mark replayment and a proposition of the D.Mark replayment figure of the D.Mark replayment in Paris.

Ever, the US unit is expected to gain strong support at around' Friday's close of DM3.1400 in London, but dealers reported little activity. Investors appear unwilling to open new positions until a clearer trend emerges. the DMLS580 level.

Many investors may wait until Friday's release of US employment figures for August before taking a decisive view. Most forecasters are looking for a further rise in non-farm payroll employment, and a small decline in the overall unemployment rate. If this scenario proves correct, it could put upward pressure on US interest rates in order to contain the inflationary effects of a buoyant economy.

by drivi	ing it lowe	r; how-	Sterlin	g edged	up t
ENS I	UROPE	AN CUR	RENCY (	JNIT RAT	ΓES
	Eer central rates	Currency amounts against Eco Aug.26	% charge from cestral rate	% change adjusted for entropers	Ohergence Bask %
tar;	42,4582 7,85212 2,05853 6,90403 2,31943 0,768413 1480,38	43,4959 7,96744 2,07401 7,04831 2,34213 0,774855 1540,66	144 147 147 147 148 148 148 148 148 148 148 148 148 148	+100 +049 +045 +045 +046 +046 +046 +046 +046 +046	±1.5344 ±1.5404 ±1.0983 ±1.3674 ±1.5012 ±1.6684 ±4.0752
re for Eco, 1	wrefore positive d	lange denotes a v	nak carrescy		

POUND SPOT- FORWARD AGAINST THE POUND							
26 وما	Day's sproud	Close	, Cot month	63 %	Three months	P.L	
orto orto orto orto orto orto orto orto	14630 - 1.4470 20050 - 2.1070 154-3.154, 65.80-66.30 1204-12134, 11670 - 1.1750 3134, 1154, 207.10-297, 207.10-293, 1154, 1154, 1065-1073, 1065	1.695 - 1.695 2.1005 - 2.695 3.54 - 3.29 6.69 - 65.90 12.94 - 1.205 1.1750 - 1.1760 3.134 - 2.176 2.314 - 2.314 1.594 - 11.694 10.655 - 10.65 10.655 - 10.65 2.254 - 2.26 2.206 - 2.26 2.264 - 2.265 2.442 - 2.265	0.55-0.31cpm 0.55-0.35cpm 2-1.4cpm 41-33-cpm 0.48-0.35pm 14-1.2cpm 1-2-2cpm 1-2-2cpm 1-2-1.4cpm 1-1-1-cpm	377 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1.40-1.35mi 0.98-0.85mi 52-53-mi 112-13-mi 130-1.15mi 43-13-66m 4-12mi 4-2-54mi 33-33-mi 35-33-mi 35-33-mi 35-33-mi	32 17: 6.0 4.4 3.1 1.2 1.2 1.2 6.2 7.%	

DOLL	AR SPOT	FORWAR	D AGAIN	IST :	THE DOL	LAR
Ang.26	Day's spread	Clase	One month	P.L.	Three strontine	% 92.
OK?	1.6630 - 1.6970 1.4340 - 1.4400 1.2550 - 1.2590 2.0935 - 2.1670 38.90 - 39.15 7.124 - 7.174 1.8540 - 1.854 1.8540 - 1.854	6.30\( - 6.31\) 6.42\( - 6.42\) 133.65\( - 133.75\)	0.54-0.51cpm 0.13-0.13cdfs 0.13-0.13cdfs 0.25-0.50cpm 0.50-3.00cpm 0.50-5.00cpm 0.50-5.00cpm 0.50-5.00cpm 10.50-5.00cpm 10.30-0.20cpm 1.00-1.10credis 0.45-0.20cpm 1.00-1.10credis 0.45-0.20cpm 1.00-1.10credis 0.45-0.45cpm	73945 NAC 345	1.40-1.25pm 0.36-0.46ds 0.45-0.48ds 1.59-1.25pm 14.00-10.00pm 1.59-1.25pm 1.59-1.25pm 1.59-1.25pm 1.59-1.25pm 2.79-2.90ds 2.79-2.90ds 2.79-2.90ds 2.79-2.90ds 1.86-9.80pm 1.86-9.80pm	3.25 -14 -1.50 -1.25 -1.
t UK and Irela individual cur	end are gasted in US reacy. Beiglan rate i	carrency. Forward pre- s for convertible fram	tolous and discoun cs. Financial franc	5 apply 6	the US dollar and	not to the

	JRO-CL	JRREN	Y INT	EREST	RATES	
Aug.26	Short term	7 Days notice	· Cine Month	Tipree Months	Six Mosths	Case · Year
Shrifting US Dollar Can, Dollar D. Gallifer Sw. Frant Destochmark Pr. Frant Living B. Fr. (Find B. Fr. (Find B. Fr. (Con.) Yes Asian SSup	Proposition of the	Parentister Parentister	200年の大学大学大学大学大学 200年の大学大学大学大学大学大学大学大学大学大学大学大学大学大学大学大学大学大学大学	13.65 19.55	Harate States	22 10 10 10 10 10 10 10 10 10 10 10 10 10

يا ودوا	rip Eurodo E per cent	flans; temp;	gers Bijl-4	1≟ per ces	t; three year	rs 831-85	be. cear.	(1997, 1995) (1-3 <sub>1</sub> 6-3	1 7	r cen
11 7 <u>6</u> -8	is be. conf	pominal.	Pation, votes		294 AN. (12	D\$GG #	ne valence	# TEIC (C)	ers, 1986 G	æ. Þ
		D	CHA	NOT	CRX	<b>388</b>	PAT	\$		
Aag.26	3	\$	DH	Yes	F Fr.	S.Fr.	HFL,	Line	c s	В
£	1 0.592	1.690	3,140 1,858	22 <u>5.8</u> 133,7	10.64 6.308	2.650 1.568	3.545 2.098	2534 1381	2.101 1.243	45 78
DM	0.318 4.425	0.536 7.478	13.89	71.97 1000,	#35 #35	0.844 11.73	1.129 15.69	743.3 10327	0.669 9.296	20 29

Acq.26	3	\$	DH	Yes	F Fr.	S.Fr.	HFL,	Libra	ES	BA
. £	10.592	1690	3.140 1.858	225.0 133.7	10.66 6.308	2.650 1.568	3.545 2.098	2334 1381	2101 1.243	发,
YEN	0.318	0.536	13.87	71.97	13%	0.844	1.129	763.3	0.669	20.9
Dai	4.425	7,478		1000,	47%	11.73	15.69	10327	9.296	291.
F FL	0.958	1.585	2.946	212.0	10.	2.486	13%	2),89	1.971	61.7
S Fr.	0.377		1.185	85.28	4,023	1	13%	880,8	0.793	24.8
N FL	0.282	0.477	0.886	63.75	3.007	0.748	1	658.4	0.593	18.5
Lina	0.428	0.724	1.345	%LB3	4.567	1.135	1519	1000.	0.900	28.2
C 5 B Ft.	0.476 1.519	0.804 2.566	1.465 4.768	107.6 343.2	5.074 14.19	1261	1.687 5.383	<u>1111</u>	1 3.191	31.3 100.

mum rate. This tended to act as an upward drag on rates, and was considered by some as an aggravating factor to events which caused last October's The previous system of variable rate tender was designed to ensure that smaller banks would receive some of the funds on offer. But allocation

crash in equity prices.

This week's tender will be amounced tomorrow - one day at the minimum rate meant that some institutions used to hid at unrealistically high rates of discount, secure in the knowledge that any allotment would be received at the minilate - and allocations will be made on Thursday. A matur-ing facility, the largest so far this year, will drain DM24.2bm.

MONEY RATES

REW TORK			1 LESTINA	Billis and 6	10-year   9.29   9.29   12-year   9.29   12-year   9.44   12-year   9.45	
(4pm) Prime rate Broker lose rate Fed finits Fed funds at interestion	The	e month e month e month year , year ,	7	.06 Foury 159 Fistys 159 Seven 130 10-44	9	
Acq.26	Overplyist.	tine Nosth	Two Months	Tipree Months	Str. Months	Loorbard Intervention
Peris	450-460 74 70 14-14 554 3.86125 94-104 4.85 7-74	5.00-5.15 72,-74 3-33, 59,-51, 4.15625 103-11 73,-74, 77,-75,	515-525 73-8 73-71	5.25.5.40 8.61, 31-31, 51-51, 4.6075 11-11, 71-75, 71-81,	Star Sta	5.00 6.75 - - -
	<del></del>	N MC	NEY			. Ore
Aug.26	Overnight	notice	Month	Months	Months	Year
Interbunk Offer Interbank Bld Sterling (Ds. Local Authority Deps. Local Authority Boeds. Discount Mit Deps. Company Deposits Fleance Heate Deposits Treasury Blits (Buy) Bant Blits (Buy) Dollar Che SOR Linked Dep Offer SOR Linked Dep Offer SOR Linked Dep Offer SOR Linked Dep Offer	114	12	125 117 117 117 117 117 117 117 117 117 11	125	121	121 121

emerges.
Eisewhere, the French franc moved slightly firmer in Paris. The D-Mark was fixed at FFr3.3931, down from an opening level of FFr3.3946, while the dollar slipped to FFr6.3350 from FFr6.3400. Investors adouted a continuous approach adopted a cautious approach after last week's increase in French money market inter-vention rates. A rise to 7% p.c.

Estimated Volume 339 (922) Presions day's open Int. 847 (745)

Close High Low Pres. 176-90 178-90 175-00 178-10

in the 5-10 day repurchase rate coincided with higher rates in London and Frankfurt. Call money yesterday was bid at 7½ p.c., close to its effective ceiling of 7½ p.c.

A higher trend in European interest rates has not been fully matched by the rise in France, and the authorities will be anxious to avoid any build up of pressure on the franc brought about by widening interest rate differentials. Confirmation of earlier provisional figures, which showed French consumer prices rising by 0.3 p.c. in July, to give a by 0.3 p.c. in July, to give a

In Milan, the Bank of Italy sold a nominal DM8.5m at the fixing, around a quarter of the total traded, and the D-Mark eased slightly to L742.70 from eased slightly to L742.70 from L743.00 on Friday. The Bank's action was in contrast to recent operations, which have involved heavy D-Mark purchases in order to prevent the West German unit from falling too far below the L740 level.

FT GUIDE TO WORLD CUR-RENCIES, Page 21.

Strike Price Sci Oct Bior Dec Ses 1600 8.70 8.82 8.99 9.34 0.14 1.625 6.41 6.78 7.12 7.57 0.36 1.650 4.90 4.92 5.41 5.47 0.80 1.675 2.56 3.38 3.96 4.57 1.60 1.770 1.43 2.21 2.82 3.47 2.69 1.725 0.74 1.66 2.03 2.56 4.55 1.750 0.32 0.87 1.37 1.75 6.58 Previous day's open int Calls 584,589 Puts 456,859 Previous day's violence: Calls 584,589 Puts 456,859 Previous day's violence: Calls 584,589 Puts 456,859	Pots Oct. Nov Dec Price Sgr Oct. 0.42 1.17 1.85 1.650 4.35 5.05 0.99 1.79 2.51 1.700 1.50 2.45 1.70 2.54 3.36 1.750 0.55 1.15 2.70 3.62 4.51 1.800 0.40 0.85 3.94 4.90 5.90 1.850 0.35 0.45 5.59 6.50 7.47 1.900 0.30 7.47 8.31 9.11 1.750 0.40 Estimated volume total, C Previous day's open int: O	Nov   Dec   Sep   Oct   Sep   Oct   Sep   Oct   Sep   Oct   Sep   Oct
LIFFE LING CALT FUTURES OFTIMIS	LIFFE US TREASURY NAME FUTURES OFTENS	LIFFE FI-SE INNEX PUTURES OPTIONS
Orlin Calicart leasers But cattlements	Strike Calls-sattlements Puts-cettlements	
Price Dec Mar Dec Mar Sec Mar	Price Dec Mar Dec Matr 20 Mar	Price Sep Oct Sep Oct 16500 12500 1352 10 32 17000 746 996 56 96 17500 382 629 172 29 18000 152 355 462 455 18500 45 177 835 777 19000 10 77 1320 177 19500 2 30 1812 1630 Estimated volume total, Calls 3 Pats 97
LIFFE E/S OFTIBORS £25,000 (costs per £1)	LIFFE EUROBOLLAR OPTIONS Film points of 180%	LUFFE SHORT STERLING
Strike   Calif-settlements   Puls-settlements     Price   Sep   Oct   Sep   Oct     1959   1420   1420   1   1   13     1460   420   420   9   57     1470   158   249   278   409     175   34   96   654   752     180   4   31   1124   1191     1265   0   8   1620   1668	Strike   Calls-settlements   Puts-settlements	Strike Calls-settlements Price Sep Dec
Estimated volume total, Cadis O Pets O Provious day's open int. Calis 752 Pets 1767	Estimated solume total, Calls 900 Pets 100 Previous day's open lot. Calls 2753 Pets 4425	Estimated volume total, Calls 2740 Pers 2907 Previous day's open int. Calls 20093 Pers 16636
LONDON (LIFFE)	CURRENCY FUTURES	POUND-S (FOREIGN EXCRANGE)

9250 9275	2	6 3	28 52	107 107	8850 8875	ì	28 20	65 89	80 97
Estimated Previous da	rokume total, 17's open lot.	Calls 900 Calls 275	Pats 100 Pats 44	25	Estimated v Previous da	olume total, y's open int.	Calls 274 Calls 200	0 Pets 2: 93 Pets I	6636 6636
CURRI	ENCY FU	TURE	\$		POUND-S (	FOREIGN EX	CHUNGE	<del></del> -	
LFFE-ST	Elt.Die £25,0				Szot 1,6900	1-mth. 1.6848	3-esth. 1.6763	6-mt.	12-mt. 16465
Sep Dec	Close 1,6880 1,6750	High	Lou	1 4917		ING & per	<u> </u>		
Har Estimated	1.6660 Volume () (13 by's open int.		)	1.6717 1.6717	Sep Dec Mar	Class 1.6862 1.6730 1.6624	High 1.6888 1.6764 1.6650	1.6790 1.6660 1.6570	Pres. 1.6962 1.6836 1.6726
U.S. TREA \$100,000	SURY BOODS 32mis of 100	(CBT) 87			JAPAMÉSE Y72.5e \$	YEN (BMM) per Y180	1		
Sep Dec Mar Jon Sep Dec Mar Jon	23:05: 84-28: 84-09: 83-23: 83-05: 82-20: 82-04: 81-22:	84-30 84-12 13-24 83-05 82-20 81-22	84-14 83-28 83-11 82-25 82-18 81-11	Pres, 84-19 84-01 83-14 82-28 82-11 81-27 81-13	Sep Dec. Mar Jun	0.7497 0.7569 0.7638 0.7717	High 0.7506 0.7577 0.7644	0,7482 0,7550 0,7632	0.7516 0.7588
Jen Sep Dec	81-09 80-29 80-18	:	:	81-00 80-20 80-09	DM125,000	S per DM	High	Low	Prev.

Mar Jen Jen Jen Mar	81-22 81-09 80-29	81-22	81-11	81-13 81-00 80-20	DEUTSCA DM125,0	E MARK COM 90 \$ per DM	0
Dec Mar	80-18 80-08	:	:	80-09 79-31	Sep Dec Mar	Close 0.5394 0.5439 0.5483	054 054 054
1.S. TREA Ila point	SHIP RELS of 180%	فنند					
iep	Close 92.65	High 92,69 92,73	1.0w 92.64	Prev. 92.67	THREE-N Sin prin	CHTE EUROB Is of 100%	ULAR
	92.21 92.16 92.04 91.93	92.23 92.16 92.04	92.19 92.14 92.00	92.24 92.19 92.07	Sep Dec	Ciose 91.24 90.70	91. 90. 90.
in the	91.84 91.80	:	91.92 91.86 91.82	91.96 91.87 91.83	Mar Jun Sep Dec	90.72 90.56 90.43	90. 90.
					Dec Mar Jan	90.33 90.27 90.21	90. 90. 90.
WISS FRA Fr 125,00	INC (BIEN) 8 \$ per \$Fr				STANDAR \$500 time	D & POCRS 50 5 index	16 PH
<b>a</b>	Close 0.6397	High 0.6412	0.6369	Prev. 0.6390	Seo	Clase 259.70	#i

BASE LENDING RATES

	%		%	. %
ABN Bank	12	City Marchants Bank		HatWestminster 12
Adam & Company AAB - Alled Arak Bk	11	Clydesdale Bank		Northern Bank Ltd 12
AAB-AHIM Arat, Btr	11	Cooum.Bk.N.East	12	Norwick Gen. Trest 12
Allied Irish Bank		· Co-operative Bask	° <u>12</u>	PRIVATbanken Limited 、 12
Heary Ansbacher	12	Contis & Co		Provincial Bank PLC 12
ANZ Banking Group	12	Cypros Popular Bt	12	R. Raphael & Sons 11
Associates Cap Corp	10	Dunhar Bank PLC		Roxburghe G'rantee 115
Authority Bank	12	Duncag Lawrie	12	Royal Bk of Scotland 12
B & C Herckant Bank	12	Egzatorial Bank plc	12	Royal Trost Bank 12
Banco de Billião	12	Exeter Trust Ltd	12b	Smith & Willman Sees 12
Bank Hannalim	12	Financial & Gen. Sec	Π·	Standard Chartered 12
Bank Leucei (UK)		First National Bank Pic.		
Bank Credit & Comm		Robert Fleming & Co		UDT Mortgage Exp \$11.45
Basik of Oppros	12	Robert Fraser & Ptins.		United Bk of Korrait 12
Bank of Ireland	īī	Girobank		United Mizratri Bank 12
Rank of India		● Guisness Wahen		Upity Trust Bank Pic 12
Bank of Scotland		KFC Bank plc		Western Trest
Rasone Reloc I td	12	Hambros Bank	12	Westpac Bank Corp 12
Barclays Bank	<u> 12</u>	Heritable & Ges Loo Bik	12	Whiteaway Laidlaw 1212
Benchmark Bank PLC	12	● Hill Samuel		Yorkshire Basic 12
Berliner Bank AG	12	C. Hoare & Co.	12	
Brit Bk of Mid East		Hoeghong & Shanga		• Members of British Merch
Brown Shipley	12	● Leopold Joseph & Sons _		Banking & Securities Hoo
Business Mage Tst	12h	Lloyds Bank		Association. * 7 day deposits 4.3
7 Rask Mederland	12	Meghraj Bank Ltd	12	Saverise 7,16%. Top Tier-£10,00
Central Capital	77	Midland Onek	15	inciant seems D. R. S. Mostowan I

	HFC Bank plc	12	Western Trass
1	Hambros Bank		Westpac Bank Corp 12
	Heritable & Ges Inn Bik	12	Whitesway Laidlaw 1212
4	Hill Samuel	<u>512</u>	Yorkshire Bank 12
	C. Hoare & Co	12	
	Hoegbong & Shangta	12	<ul> <li>Members of British Merchant</li> </ul>
1	Leopold Joseph & Sons	12	Banking & Securities Hooses
	Llowds Bank		Association. = 7 day deposits 4.38%
	Meghraf Bank Ltd	12	Saverise 7,16%. Tog Tier-£10,000 +
	Midland Bank	12	iostant access 9.0% & Mortgage base
	Mount Baley Corp	12	rate. § Demand deposit. 7%. Mortgage
	Had Die of Krongill	12	16 875% - 11 25%

		ı	LON	DC	N RECENT	IS	SU	ES			
EQU	TIE	S									
bare Prior	Amount Paid 49	Laes Desect date	29) (Bgh	8 User	Stock	Classing Price	+=	Hea Die.	Times	Gran. Yield	P.E. Rasia
115 175 175 170 100 140 140 140 140 140		22/8 22/8 25/8 27/7 5/8 19/8	173 168 166 164 165 166 74 88 161 153 143 143 143 143 143 143 143 143 143 14	788793987495553	Christle Group 2p Dekenlesser 10p Enveropy 5p Enveropy 5p Elmoopy 5p Elmoopy 5p Elmoopy 5p Elmoop 10p Elmoop 10p Elmoop 10p Elmoop 10p Elmoop 5p Elmoop 10p Elmoop 10	92 58 76	-2 +2 +3 -1 -1 -15 -2	13.5 W1.13 R2.19 3.7 5.75 12.0 eQ9.8 U3.15 R3.9 L3.0		28193 193 193 194 195 195 195 195 195 195 195 195 195 195	15.4 34.5 15.2 15.2 19.9 13.3 10.2 20.2 18.1 7.5 13.6

Estate Price	Amount.	Latest Recenc	19	88	Stock	Closing Price	
Ĩ.		Date	High	Low	320.2	£	-
100p 100p 10109 10109 100p 65 51002 100p 100p 100p 100p		16/9 12/8 20/9	96p 104p 1115p 1102p 102p 102p 6514p 994p 1150 1150 1150 1150 1150 1150 1150 115	949 1109 1119 970 1019 970 105 991, 981, 991, 709m 1109 1009 11039 995	Alexan Group 6 25p Cr. Rd. Pf. 10p. Altwoods (First 81-pp. Gold Rd Cr Pf. 5p. Blanded Lambatte Bp Or Re Pf. 10p. Brent Chemicals int Spc. Crn Re Pf. Darre Estates 7.75pc. Car. Con Re Pf. Blampson Inds. 6.5pc. Cr. Re Pf. Blampson Inds. 6.5pc. Cr. Crn Re Pf. Blackarthy & Stone B. 75pc. Rel. Pf. 2003 MMC Group (Med Dr. Crn Ref Pf. 10p. British Rel. 11, fc. 7 8.89 Dr. 11, fg. R. 29 8.89 Dr. 11, fg. R. 29 8.89 Dr. 11, fg. R. 29 8.89 Eleasorana 7.75pc. Cr. Crn Ref Pf. Prestwick Hidge 77 pc. Cr. Crn Ref Pf. British Rel British Spc. Cr. Ref Pf. Branets B. 2pc. Cr. Ref Pf. Branets B. 2pc. Cr. Ref Pf. 2003 IVS Enter. 7.4p Cr. Crn Ref Pf. 2003 IVS Enter. 7.4pc. Crn Ref Pf. 2005	441148847.585.58 218445664	1 1 1 2 2 42 43 14

			R	GHT	S OFFERS		
Issue Price	Amount, Paid	Latest Renunc	19	<b>168</b>	Stock	Clesing Price	+ 01
p	和	Date	High Low		300	P	-
37.5	NH	7/10	27pm	16pm	Amber Day Hidgs, 2125	17pm	+1
190 18 10 205 230 175 30 25		28/9 21/9	135m 36m	מעלו   מעלו	Brunning Group 25p	21 <sub>2</sub> pm	+12
10	l iiii i	5/10	14pm	1000	SF & H Group 10p	izem 11em	-1
205	Hill		41mm	27 12 pm	FISORS.	27 lypm	•
230	NSI :	5/9	25pm	1½pm	Fisoes Highland Participants 25p	112pm	
172		20/0	850m	44pm	PH-847303 50 1	44pm .	-13
20		23/9	21pm 10pm	Llom	Aurien Square	TTbu	4
		•	TODIII	3,50m	Wilshaw 5p	31 <sub>2</sub> pm	-52
cover based Forecast, o dividend,come estimates for armualised of by tender.4	on dwiden r estimater rer and pie r 1988. N i fividend,co Offered so rection wi	d on full ca d annually based on Dhridend as wer and par d bolders o th reorgan	apital g Ass ed dividend latest, asma od yield base tratio base of ordinary isation me	sumed dand I rate, cove rai earning red on prospe d on prospe shares as : rues or take	estimates. d Dividend rate paid or payable- end and yield. S Dividend and yield exclude: " Abased on previous year's examings. E. Est. M Dividend and yield based on Prospectu- ectus or other official estimates for 1989. I time or other official estimates. W Pro Form " raghts" i introduction splincing price; 13 over; 3 Allottnent price; Unlested securities ind Markes.	special payi imated asso is or other i Gross.R Fi na ligores.Q Reintrodu	pent. Ezitse officia orecas Issue Tina

EUF	OPE	AN	OPT	ION	SE	KCH	ANC	<u>.                                    </u>
		Nov	. 88	Fel	. 89	Ma	89	
Sertes_		Yel	Last	Vol	Last	Vol	Last	Ştock
EOLD C	S 440 S 480	15	12	25	7.90	15	31	\$ 431.90 \$ 431.90
-		Sep	. 8B	Der		Md	. 89	<u> </u>
SILVER C SILVER C	\$ 700 \$ 750	30	10	10 83	45 23	Ξ	=	\$ 666 \$ 666
34LTER U	- 3/20		. 88	00	_	Non	. 88	
EOE Index C	FI 220	12	9.80	. 95	12	_	-	FI 228.06
EOE Index G EOE Index G	FI 225 FI 230	153	4.40	=	7.50	=	1 : 1	F 228.06 F 228.06
EOE Index C	FI 235	88 43	1 / 254	34	5	. –	1 - 1	Fi 228.06
EOE Index C	FI 240 FI 245	43 105	1.50	Į <u>5</u>	3.90 2.50	2	5.70	FI 228.06 FI 228.06
EOE Index C EOE ladex P	Fi 205	300	D.70	100	280	=	1 - 1	FI 228.06
EOE Index P	FI 210	_53	1.10	40 95 29 19	3.40 B 5.80 B	i -	-	Fi 228.06
EOE Index P EOE Index P	FI 220 FI 225	110	2.70 4.40	1 22	] J. ON .	10	l ii l	Fi 228.06 Fi 228.06
ECE Index P	Fl 230	360 173 153	17	19	1 11	12	14	FI 229.06
EQE Index P EQE ladex P	FI 235 FI 245 .	1733	盟	ᆲ	13.20 20.50	1009	24	FI 228.06 FI 228.06
CIFI P	FI 355	20 20 70	2.50 6.50	! -		20	7	Fi 355.89
S/FIC S/FIC	Fi 205 Fi 210	70	6.50 2.90	5	4.40	5	5.20	FI 211.18 FI 211.18
S/FI C S/FI C	FI 215	91 45	1116	BÁ	2.10 B	=	132	Fi 211 18
SÍFI C SÍFI P	F1 220 F1 205	-	} -	76 39	1 1	_	-	FI 211.18 FI 211.18
NILL.	FIZES							F1 <u>644.40</u>
		0ct	. 88	Jau	. 89	Apr	. 89	
ABN C	FI 45	261	0.80	252	1.70	18	2.60	FI 41.30
ABN P AEGON C	F140 F185	60 88 20	1.20	97	230	=	1 = 1	FI 41.30 FI 78.80
AEGON P	F180	20	4.40	95	2.30 5.80	5	6.50	FI 78.80
AKOLD C AKZD C	FI 85 FI 140	64 162	4.40	11 36 124	4.70 7.60	3	12	FI 81.90 FI 136
AKZO P	FI 140	98 32	7.50	124	11.40	=	=	FI 136
AMEV C AMEV P	Ft 55 Ft 45	32	0.50	3	1.10	i -	1 - 1	F1 48 F1 48
AMRO C	អ៊ីអ៊ី	106 122	1.70 B	4	4.30	21	5.90 A	FI 71.90
AMROP Buhrmann-TC	F1 75 F1 75 F1 50 F1 50	122	4.50 3.40	4 5 10	5.60 5.10	=	6.20	FI 71.90 FI 51.50
BUHRMANN-TP	F150	35	1140	32	1250 I	5 45 3	1350 I	FI 51.50
ELSEVIER C	FI 60 FI 50	213	1.80	62	3.60 1.70	3	4.90	FI 56.20
ELSEVIER P GIST-BROC. C	F150 F145	234	1.10	30	210	7	3.40	FI 56.20 FI 38.50
GIST-BROC. P	FI 40	78	***	21	4.10	<u> </u>		FI 38.50
HEINEKEN P HÖGGOVENS C	FI 130	213	190	22 26 21 20 30	3.60	25	6.50	Fi 144.80 Fi 59.90
HOOGOVENS P	FIAN	76	3 000	169 213	اعقعكا		i – I	FI 59.90
KLM C	FI 40 FI 35	99 184 35 84 25	0.40 2.40 A 7.10	212	i 2.50 d	60 12	220	FI 33.60 FI 33.60
KLM P KNP C	FI 160	35	<b>536 ^</b>	15882	3.50 A 12.90	12	338	FI 161.50 FI 161.50 FI 219.80
KNP P	Fi 150		160 A 240 B	- AF	T 4		!	

TOTAL VOLUME IN CONTRACTS: 16,657 B=Bid C=Gall P=Pat



#### State Bank of India

State Bank of India announces

that its base rate

is increased from

11% to 12% per annum

with effect from

August 26, 1988

To the Holders of

COLLATERALIZED INORTGAGE COLLIGATION TRUST TWENTY

Class A Floating Rate Bonds Due February 25, 2017

Pursuant to the Indenture dated as of February 6, 1987 between Collateralized Mortgage Obligation Trust Twenty and Texas Commerce Bank as Trustee, notice is hereby given that the interest rate applicable to the above Bonds for the interest period from August 25, 1988 through November 24, 1988 as determined in accordance with the applicable provisions of the Indenture, is 9.25% per annum.

COLLATERALIZED MORTGAGE OBLIGATION TRUST TWENTY

**Dresdner Finance B.V.** 

U.S.\$ 250,000,000 ing Rate Notes 1984/1992 with Warrants

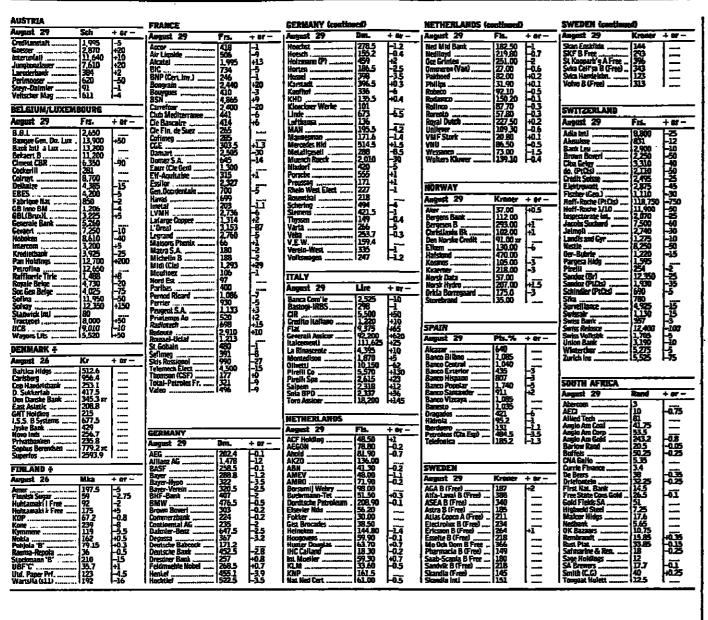
annum. Therefore, interest per Note of U.S.\$ 10,000 principal amount is due on February 28, 1989, the relevant interest Payment Date, in the amount of U.S.\$ 458.18.

Dresdner Bank

Principal Paying Agent

.Dresdner Bank Group. 🛚 🔼

#### WORLD STOCK MARKETS



JAPAN	Yen	+ 07 -	August 29	Yen	+ er -	August 29	Yen	+ 07 -	August 29 Yes	+ 47 -	AUSTRALIA (continu	ests.	+ 07 -
August 29					<del>+ ur -</del>	Niggon LL Metal				. •	1425-1		
Alinomoto	2,960 1,700	-50 -10 -30	Jusco	1,890	!	Nippon Meat Pack	734 1,900 585	+7-9-4-49-49-4-49-4-49-4-49-4-49-4-49-4-	Teijis	1-1	Kittston Gold	3.35 14.30	-0.03
All Hippon Air	1.700	<del>-</del> 10	Kajima	]1,410	-30 +10	Niccon Mining	1500°	1214	Toa Kearyo Kyo 1,750	-10"	MIN	195	0.05
Aips Electric	1,750	J-30	Kaken Pharm	1,780	+ <u>1</u> 0	Nippon Cil	1080	-20	Tobistrima 1.130	140	Mayne Nickless	74	40.04 -0.04 -0.04 -0.01 -0.14 -0.01 -0.01
Arrada Amano	11.220 1.550	I	Karebo	585 990	-7	[ Niggon Road	1.080 1.100	+20	Toho 25.20	+40 +100	Hat Seet Flank II	.74 .36	0.04
Ando Construct	755	Lī"	Kanegafuchi Chm Kansai Elect Power	3.020	+10	Nippor Sago	705 800	<b>⊢</b> 8	Tokal Bank 2,360	+10	Hers	10.35 1.81	1-0.2
Aprilsu	2.380	- <u>2</u> 0	Kansai Paint	630	ᄣ	Nippog Selko	800	<b> -4</b>	l Tolcal Carbon (600)	<b> -10</b>	Noranda Pacific	1.81	-0.03
Acki Corp	1913	-20 +3 -30 -10	Kao Coro	1,700	-16 -20 -40 -26 -35	Nippon Sh Glass	845 1,100 685	-20 -20 -20	Tokio Marine 1,930 Tokyo B'casting 2,380 Tokyo Electric Per 5,570	i	North Skn HTD	2.90	0.14
Arabian Oil	5.450	-30	Kashiyama	1.760	I <del>-40</del>	Kippon Shimpan	1,100	<b>三</b> 銀	Tokyo B'casting	1.55	Calchridge C	223	H0.01
Asahi Chemicals	1,040	<b> -10</b>	Kawasaki Heavy	608	l-26	Nippos Steef	738	1-64	Tokyo Electron 2,890	-50 -70 -30	Pacific Useday	1.35 L80	L#*
Asabi Class	1,900	- <u>10</u>	Kawasal i Steel	1780	<u> -35</u>	Nippos TV	22,500	<del></del>	Tokyo Electron	C%	Pascont'l	115	-0.05 -0.15 -0.05
Atsugi Nylon	1,140	1-10	Kikkoman Shoyu	1,110	i	KUppon Yesen	699	Lix	Tokyo Rose		Placer Pacific	1	
Bank Tokyo	1,540 1,390		Kinki Elect	2,590	l+10	Nishimatsu Cons	708	L12	Toloro Steel 3 530	-70	Poseidon	236 200	
Banyu Pharm	1,390	1 ==-	Kirls Brewery	1.890	+10 -40 -29 -30	Nissan Motor	11130	13 13 20 20	Tokyo Styfe	l–2ŏ	Operational Coal	L34	-0.02 -0.05
Bridgestone	岩"	-20 -15	Kote Steel	501 3,470	L\$7	Nissel Sangro	2,010		Tokýu Car	<b>[-10</b>	Santos	1.00	-0.05
Brother lods			Kalano	3.080		Nisshin Flour	1,420	H10	104A1 COLD 1 T'9NA	<del>-8</del> 0	Smith (H.)	3.55	H0.05
Çalpis Food	1.330	+80	Komatso	750	4 +10 -30 -4 -28	Nisshin (ii)	924 1.210	+10 +18 -30 -80 -3 -70	Tokyu Land	<u> -70</u>	Thos Natwide [4	1.55	-0.17
Canon	1,450 3,150	-89 -89 -50	Konica	750 1,590	+10	Nisstanbo inds	1,210	1-39	Toppan Print	J- <u>2</u> 0		1.00	I
Canon Sales Casio Computer	1400	댇쫎	Korakuen Stadium	3500	I-30	Nissin Food	3,400 611		76ray	17.	Vangis	280	0.24
Central Glass	718	-7	Kubota	731	I-4	Nonara	3 420	ᅜ	Toshiba Elest	170	Western Minley	5.72 1.64 m	Fü.
Chivoda Chem	1235	1	Kurragal-Goori	920	] <del>-28</del>	Noritabe	3,620 1,150	Γ"	Toto 2,060	Ľin.	Woodside Petrol	17E	
Chubu Elect Pwr	13.010	-30	Kuraray	1,290		]			Tota 2,060 Toyo Construct 693	7818781875 78187878	Woolwords	L75 330	
Chugai Pharm	1,600 792		Kureha Chendeal	1.050	10	Odakyu Elec Rby	1,140	-10 -30 -30	Toyo lnk 840	l-żs	Wormald Intl	ČŽŠ	-0.02
Citizen Watch	1792	-12	Kyotars	1,800 5,700 1,560	+30 -50 +10	Ohbayashi-Gumi	801	17.	Toro Rubber	1-3			
Dalcel Chemical	827	L-3	Kyoto Ceramic Kyowa Hakko	15./00	[ <del>-</del> 50	Oji Paper	1,340 1,030 1,140	1-10	Toro Selican	1	HONG KONG		
Daldo Steel	688	-3 -12				Okama Mach	1,100	[3%	Toyo Soda   707	+2		LK.S	+ er -
Dalei	2.04D	+10	Lion	1,040	1-10	Ottomara-Gami	25		Torota Motor   2,600	i-70	1-p		
Dai ichi Kan Bank	2,900		Maeda Construct	1.230	I-20	Obvinces	965 1,070	+50 -50	lune Live	1 10	Bank East Asia	6.60	335
Dalkie inds	1,080	-20	Makino Milling	1,640	+14	Doods Cement	915	1-5	UBE Inds	-12 -5	Cathy Pacific	3.10	Hiiz
Daligo Kanko	2,750	-iī	Makita Elect Wk	1,640	<del> -20</del>	One Pharm	5,500 1,350	I	VBUR 1477	12	Chestap Koog	7.05	HII
Dai Kippon ink	J755.	-11	Marubeni	580	<del> -</del> 13	Oriest Fisance	1.350		Victor  2.100	I-60		5.70	1985933
Dai Nippon Ptg Daistowa Paper	2.560 2.050	(	Maredal Food	1,250	H30	Orient Leasing	3.420 610	120			Erergo	145	
Dalwa House	11970	Lan	Marei	3,000	140	Osaka Gas	1610	H	Wacqal   1,130	I,	Hang Sens Bank	.80 8.00	10.5
Dalaca Sec	2 280	-30 -10 -50 -6	MED	2,650 1,880	1:22	Penta Ocean Con	832	Le			i Henderson Land	157	0.15
Denny's	2 280 3 250	-50 -50	Mazda Motors	668	땒	Plotter	3.500	-80 -90	Yamaha	+10 +10	Hongkong Chica	157 15.60	Hű
Down Milalag	648	+6	Meifi Milk	1,000	ᄄ				Yassaichi Sec 1,780	H10	HK Electric	7.00	HÕÏ
Ebara	920	عبا	Met II Selka	967	مقد	Renown	931	+1 -10	Yamanouchi 4,040	-130	HK Land 18	1.00	015
Elai	1,970	45 40	Misehea	990	214 213 23 23 23 23 23 23 24 25 25 27 27 27 27 27 27 27 27 27 27 27 27 27	Ricoh	1,280 2570	協	Yamatake H'yweli 1,830 Yamato Trans 1,500	-50 -60	HK Shanghal Bank 6 HK Shanghal Hotels 4	.10	Hi
Ezaki Gilko	1.200	,	Mipoita Camera	752	1-7	Royal Co			Yamato Trans		HK Shanghal Hotels  4	195 130	1
Fagur		L-110	Misawa Horses	752 1,750	1_	Sankyo	2,070	j-30	Yasuda Fire	1,20	HK Telecomms	.50	01 -04 -04 -05
Foji Bark	6,210 3,110	L-20°	M'bisti Bank	2,850 1,080	-20 +10	Sacrator	1,330	H-50	Vacatizana Elect	-20	Hutchison Waa	136	C2.2
Faii Electric	747	-31	Mi Doistal Chem	1,080	H:70	Sacrio	4,200 2,460	H750	Yokokama Rubber 1835	-25	Jardier Math	250	C6.2
Fuli Film	3.730	-110 -20 -31 -20 -23 -50 -50 -40	M'bishi Corp	1 100 907 2,350	l ===	Samua Basik	2,90U	-30 -50 +150 -40 -20 -20 -20	Yoshkiomi Pharm 1,190	+20 +20 +25 -10 -27	New World Der	0.70	
Fuji Hesny fod	1782	-23	M'bishi Estate	90/	-28 -30	Saryo Elect Sapporo	680 1,720	ᅜᇸ	Yuasa Battery 1770	1-27	SHK Pros 19	185	-0.35
Fujikura Cable	1,310	<b>-60</b>	M'bishi Gas Chem	156F	-20	Secom	1.720 1.50	E56			Shell Elec.Mfg 1	.01 7.20	39
Fujisawa	1,800	F50	MHI	868	-90"	Selvu Stores	2 140	Γ	AUSTRALIA		Swire Pac A	7.20	-0.7
Fujitsu	1,800 1,760 760	H-90	M'bishi Metal	201 1201	-29 -14 -28 +50 -4	Selyu Stores Sekisul Chem	6,150 2,140 1,160	+10	August 29 Aust\$	+ 87 -	TV-8	2.80	
Furokawa Elect	700		M'bishi Min Cord	恕	<u>-28</u>	Sekigui House	1,670 1,120	1-10		<del></del>	Wharf Hidgs	.35 1.00	-01
Green Cross	1,840 807	+20 +10	M'bishi Oil	1.060	+50	I Selisu Paperboard	1,120	+10	AF.P	-0.56	Wisser Ind	1.00	
Guo-El Chem	807	H <u>10</u>	M'bishi Paper	1905	14	Seven-Eleven	7,250	ì	Adelaide Steams 7.00	+0.02	World let.i Hidgs 13	3.72	H-0.08
	1,010	j-70	M'bishi Petchem	1,440		Starp	1,140	-20	Arizator Aust	10.02			
lasegawa Kom	1,110	-40	M'bishi Plasties	1725	-4 -3	Shimizu Construct	971	<u>-19</u>	Ariadoe Aust	-0.3	SINGAPORE		
Hattori Selko	2.020	-120	M'olshi Rayon	616	<del> -</del> 3	Shin-Eisu Chem	1,880	-50	Aust Nat Inds	-0.04	August 29 S	\$	+ 87 -
Helwa Rhal Est	1,600	-40 -120 -20 -20	M bish Tst	2,800 1,590		Shiseido	1,750 1,700	F=24	ANZ Group	0.04 0.05	Boostead Hidgs 1	26	0.07 0.1 0.16 0.25
Hing Motors	880  5,190	-20 -150	M'histi Warelst	1,230	-20 +1	Showa Alumkalum	859	+3	Bell Group	1_	Cerebos Pacific 5	. RO	Laï
	17.470	-120	Mitsel Bank	2,240	1.20	Showa Denko	823	G	I Bell Resources	-0.02	Cold Storage	.80 .36 .09	1016
Hitachi Hitachi Cable	1,670 1,040 1,540	-50 +10	Mitsel Mining	863		Snow Brand Milk	1180	كشم	Bond Corp Hides 2.10	+0.05	DBS8	00	1075
Hitachi Credit	1.500		Mitsel Petchem	731 1,330	-24-25-25-25-25-25-25-25-25-25-25-25-25-25-	Sory	2420	-20 -20 -20 -20 -20 -20 -20 -20 -20 -20	Boral470	-01	Fraser & Resire	.40 180 186	鵍
Hitacki Maxeli	220	-40	Missel Real Estate	2336	C26	Stapley Electric	1000	10	B'ville Copper	+0.02	Geoting4	ÜŠÖ .	1-0.38
Itach Metals	2.260 1,090		Missa Toutsu	2336 815	l-25	Sumitomo B'lite	845 3,300	<u> -10</u>	Brambles lads 10.35	₩35	Haw Par Bros	286	號
loada	2 070	-70 -13	Missu Wardse	1890	I- <del>2</del> 2	Servitomo Bank	3,300	-10	Bridge ON	-0.1	Hong Leony Fin 2 Inchcape 8hd	.48 .00	H077
Houshu Paper	663	-13	Mitsukoski	1,870	+10	i Sumitomo Cement	1628	[-10	BHP Sold	[NA	<u>Hichrape</u> BM		閊
House Food Ind	2,000		Mitsumi Elect	1,070	<b>+20</b>	Sumitomo Chem	955	<b>)-15</b>	1 Berns Phillo	Cym	Keppei Corp 2	31	HW.
Hoya	2,180		Mizuno Sporting	1.400 4.490	<u> -30</u>	Survitomo Corp	1,030	<del>1-10</del>	CRA	-0.01 -0.1 -0.24	Malayan Banking 4 Malayan Utd Ind 1	170 34 42	9.08 9.06 9.02
Jorganni Tsesh	1,820	-20	Mochka Pharm	4.490	-100	Samitomo Elect	1,446	14.	CSR 4.52	L_0 00	Multi Perpose	73	124 M
odi Bask Japan	13,200		Morinaga Milk	775	H3	Suzzitomo Hezry Suzzitomo Marine	799 1.110	1949 1997 1997 1997 1997 1997 1997 1997	Chase Corp	-0.04 -0.01 -0.3	OCBC	<b>7</b>	10.2
selan	2.250	+40	Murata Mig	12,710		Sumitona Mel. IA	559	1-31	Claremont Petro 0.25	-0.01	OUB	20 24 15	132. 134.
Ishihara Sangyo	685	+5	HEC	2,060	-30 -10 -20 -27	Sumitomo Mei Mpg	1.360	1+20	1 Coles Myer	H0.3_	Pablic Bank	.15	1-0.0B
shikawajima Ha	1,020	-40	NGK lesulators	1,840	I-10	Sumitomo Realty	1336		I Comaion W 14.35	-0.25 -0.02	Stree Darty   2	95 129	1007
sezu Meters	640 736	-5	NGK Spark Plag	1,330	- <u>20</u>	Somitomo Tr & Bk	2690	-iö	Consolidated Pet 0.20	-0.02	Stocanore Air	1.29	
tah(C)	1.00	-20	NKK Corp	654 730	<del>  2</del> 7	Suzeid Motor	73	1-5"	Costain Aust 3.80	ļ	Singapore Press 7	.20	<del> -0.15</del>
itoham Foods No Yokado	1,400		MTN Toyo Brg	1720	-8 -15 -24				Detre Group	0.12	1 Stratts Triation	28	-0.15 -0.06 -0.08
hvatsu Électric	4.200 990	-30	Nihon Cement	微	l-₽	TDK	4,800	-150	Elders IXL	H075	Tat Lee Bank	.88	H0.08
JAL		i-~	Nilgata Eog	790 561 1,750 1,340 1,970		Taisio Marine	879 1,060 1,920	Can.	Energy Res	+0.06	VOB	.98	
	14,400	Lin	Nikoo Corp	1.720	-20 -10	Talsho Pharm	1 020	-20 -30 -8	Gen Prop Trest	-0.4E	Į.		
JEOL	1.060 1.550	-40 -30	Ninoon Denso	1 070	1_56	Talto Fishery	11.720 551	. a	Goodman Fielder 2.20	9.05	ROTES - Prices on this pa	_=	ء آستوری ع
الالكا العنواب	1,377	1.30	I WANTED AND MARKET	14,77¥	120	121   V   121   U   U   U   U   U   U   U   U   U	1	1 4	13444 Hd	~	الإركالا بين مبيد الله الاستادات – التف بجم و	31 TE C	o warren C

								-								
NEW YO	RK		יטם	M 70	NES						Arg	Aug	Amy	Aug	19	88
	Aeg	Aug	Aug	Aug	ᆫ	1986			mpilation	f	29	*	25	24	High	Low
	26	25	24	23	High			High 7722-42	4)_22	AUSTRALIA Ali Ordeanes (1/1/80)	1569.0	1595.6	1636.2	1632.4	1657.8 (9/8)	1170.7 (10/2)
		2010.85	2025.67	1	2158 15/7	(20/1	ט   ע	5/8/87)	27/32	All Mining (1/1/80)	770.B	789.5	8141	814.4	847.8 (9/8)	532.4 (10/2)
Harpe Bonds	87.87	87.90	88.04	88.05	91.2 073 908.4	86.1	<u>í</u> .	-		AUSTRIA Credit Aldler (30/12/84)	197.6	197.5	197.5	197.0	199.70 (17/8)	163.98 (11/2)
Traceport	839.01	838.56	645.58	831.54	908.4 577 190.0	411 15 7315	į la	101.16 (4)8/871	12.32 6/7/32 10.50	SELGIUM	177.0	197.5	171.5	177.0	נפונט פנידד	100.70 (11/2)
Utilities	177.69	177.81	178.88	176.62	29/	2 1672 1 20H	i d	227 B3 2211/871	68/4/3Z	Bressels SE CL(1/84)	4857.4	4962.60	4890.70	4880.10	5043.1 (9/3)	3608.35(4/1)
<b>♦Day's High 2027.38</b>	C022.05	) Low 20	02 13 (1	990.4 }						DENMARK Copestagen SE (3/1/83)	219.15	220.26	227.10	221.85	227.86 (3/8)	180.68 (4/1)
STANDARD AND POO	R'S 259.68	259.18	تلاه ا	257.09	275.6	6 1 2426	3 I :	336.77	4.40	FINLAND	247.13	220.20	221.10	22.80	227.00 (5)(8)	terres sán
Industrials	298.01	297.04	299.54	294.59		2 200		5/8/87\ 993.17	C1/6/32)	Unitas General (1975)	721.8	732.1	740.0	739.B	772.1 (8/8)	530.6 CL5(I)
Florecials	24.82	24.78	24,99	24.73	722/6 25.5 0/8	20/1 4 21.5 1 8/1	1 1 2	5/8/87) 12/43	021/6/320 8.64 0/10/740	FRANCE CAC General (31/12/82)	347.1	348.2	353.8	352.6	368.5 (977)	251.3 (29/1)
							1 2	5/8/871		ted. Tendance(31/12/87)	1305	1303	1315	1329	137.6 (7/7)	89.7 (29/L)
MYSE Composite	147.24	146.94 293.21	147.93	145.94 292.00	155.3 (22)( 309.3	5   72071	2   d	187.99 5/8/87)	25/4/42) 29.31	GERMANY FAZ Aktien (3)/12/58)	476.67	478.65	482.10	480.93	495.78 (8/7)	396,40 (29/1)
Amex Mits, Value NASDAO OTC Como	293.87 374.43	240.21 374.04	294.06	373.53	10/6 394.7	3 262.7 02/1 7 331.9		365.01 13/8/87	(9)2772) 54.87	Commerzbank (1/12/53)	1450.6 1152.38	1456.1 1157.65	1467.1 1162.65	14623 1161.27	1510.4 (8/8) 1199.96 (5/7)	1207.9 (29/1) 931.18 (28/1)
INCOME OF COMP.	314.43	3/4304	376.03	נבנונ	0.87	(   1337i	i de	455.28 14(87)	G1/10/72	HONE KONE		1157.85	1202.00	11012	1177-70 (917	131.16 (20/1)
		Au	19	Aug :	12	Aug 5	yea	ar ago (	approx.)	Hang Seng Bank (31/7/640	(	2464.83	2520.26	2520.29	2772.53 (12JT)	2223.55 (8/2)
Dow Industrial Div.	Yield .	. 3.	79	3,7		3.51		2.5	4	ITALY						
S & P industrial div	- Valed		24	Aug 2		Aug 10	yes	<u>27 ago (</u> 2.4	Approx.)	Banca Com. Ital. (1972)	527.62	526.71	529.02	531.89	545.07 (18/3)	423.91.69/20
S& PP/E ratio		<u> 1</u> 9	30 57	13.5	7	3,26 13,65	ł	23.2		Nilhai (16/5/49)	27379.10	27565.AL	27870.44		29423.38 G/80	21217.04 (4/1)
TRADING ACTIVITY			† Volum	*			NEW Y			, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	2137.08	2155.09	2175.49	2171_31	2253.10 (2/8)	1690.44 (4/1)
		Illians		- 1 -	lsaues Tra		aş 26 1.906	Asg 25		METHERLANDS ANY-CBS General (1970)	262.8	262.6	265.4	267.0	284.8 (9/8)	205.7 (4/1)
Aug		¥ 25	Aug 24	- 1	Rises		719	1.003	100	AMP-CBS Industrial (1970)	224.1	223.3	225.9	227.0	239.3 (9/8)	157.9 (山)
	3.917 3 3.701	128.020 6.750	128.08 7.72	~ .	Falls Unctang	<b>3</b>	908 281	481	502	NORWAY Dsio SE 14/1/839	372.37	373.29	376.02	379.58	423.64 (23.07)	327,78 (28/1)
		102.790	110.07		New High New Love	5 <u></u>	ᇏ	21	1 16	SINCAPORE	,,,,,	J1 J E 7	370.00	37.30		22.30.02.0
									<del></del> .		1020.30	1044.77	1070.85	1065.03	1177.87 (8/8)	833.60(4/1)
CANADA	1 44		9 <b>1</b> -	Awg	Aug.		19	<b>188</b>		SOUTH AFRICA						
TORONTO	26	1 2	5 {	24	23	High			Les .	JSE Gold (28/9/78)	1262.04 1642.04	1268.0 1640.0	1283.0 1646.0	1261.0 1633.0	1451.0 (7/7) 1758.0 (20/7)	2154.0 (4/5) 1387.0 (12/2)
Metals & Minerals	292 326			2959.3 3279.2	2825.8 3242.0	3226.5		223	8,7 (8/2) 7,9 (8/2)	SPAIN						
MONTREAL Portfolio					608.38	3465.4 C			7.9 (8)27 .06 (27/1)	Madrid SE G0/12/85	286.18	287,77	289.36	289.38	301.63 (15/6)	225.50 (4/1)
										SWEDEN	2935.3	2945.8	2949.1	2970.4	31,12,90 (5,89)	2148.5 (A/1)
NEW YO	RK	AC1	IVE	: ST	OCI	KS				SWITZERLAND		-,				240175
	Stack	Cla		lange			Stocks	Clay	ng Change	Selfas Bank Inst. (31/12/58)	551.8	556.3	554.4	554.6	559.0 (9/8)	466.6 (33/1)
Friday Northeast Util	traded 1,589	600 I	34 -		chera Co		traded 929,5	00 21	on day	WORLD M.S. Capital but, 0.71770)	(w)	435.3	437.8	437.6	465.2 (15/6)	401.0 (21/1)
Wickes	1,535	600 7	* ±	4 60x	K Corp strict (Bl	7	892,2 889,0	00 48	1 1 1 2							
Primerica	1,094 1,039	400 34 300 4	ን ÷		a Cola T&T		881.6 871.2	00 分 30 岁	<b>4</b> + <b>5</b>	Subject to official recal	August 2 Iculation	:7: Japa  -	a Nijekei	Z/678.9	1 and TSE 2159.	56
			•					_		i						

INDICES

#### CANADA

Sales Black Hopk Lew Class Class

TORONIO

Conting prices Alegaed 26

Conti

#### **OVER-THE-COUNTER**

sdeq national market, 2pm prices August 29

Enjoy reading your complimentary copy of the Financial Times when you're staying . . .

Hotel Cravat, Holiday Inn, Intercontinental Hotel, Hotel President

FINANCIAL TIMES

TOKYO - Most Active Stocks Monday 29 August 1988

| Stocks Closing Change | Traded Prices on day | 13.53m | 654 | -20 | 14.37m | 2.250 | +250 | Missahin Heavy | Stocks Closing Change | Stocks Closing Change | Traded Prices on day | 13.57m | 1.140 | -70 | 13.57m | 1.140 | -70 | 10.77m |

# Have your F.T. hand delivered in France

If you work in the business centres of ANTIBES, BORDEAUX, CANNES, GRENOBLE, LYON, MONACO, NICE, PARIS (all arrondissements) plus 92000 postal code, STRASBOURG, TOULOUSE or MARSEILLES — gain the edge over your competitors. Have the Financial Times hand delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that affect your market and your business.

#### 12 FREE ISSUES

When you take out your first subscription to the F.T., we'll send you 12 issues free. Then see for yourself why William Ungeheuer, *Time* magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

Paris (01) 42 97 06 23
And ask Ben Hughes for details.

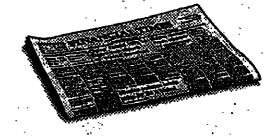
FINANCIAL TIMES

# Travelling on Business in Italy?

Enjoy reading your complimentary copy of the Financial Times when you're staying . . .

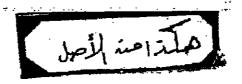
#### . . . in Milano at the

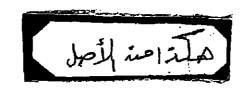
Diana Majestic, Duca di Milano, Hotel Excellsior Gallia, Hilton Hotel, Hotel Michelangelo, Hotel Palace, Hotel Principe di Savoia



**FINANCIAL TIMES** 

Have yom 17.1. Hand delivered © Frankfurt (069) 7598-101 for details.





#### **NEW YORK STOCK EXCHANGE COMPOSITE**

3pm prices August 29 | The second color | The second 

| Part | Company 

| The color | The 184 124 Passist 450
225 124 Passist 450
225 125 Passist 450
225 125 Passist 52
225 Passist 52 | Transparent | Continued on next Page

FILTER CIGARETTES

13 id 14 id 16 id

#### NYSE COMPOSITE PRICES

# Have your F.T. hand delivered in Norway

If you work in the business centres of BERGEN, oslo or STAVANGER — gain the edge over your When you take out you

Have your Financial Times personally delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that influence or affect your

12 ISSUES FREE



When you take out your first subscription to the F.T.,

we'll send you 12 issues free. Then see for yourself why William Ungeheuer, *Time* magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

Ø Oslo (02) 684020 And ask Heidi Åastorp at Narvesen Info Centre-NIC for details.

**FINANCIAL TIMES** 

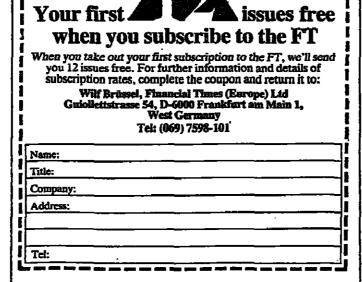
Have your F.T. hand delivered . . .

... at the start of every working day at no extra charge in Belgium, if you live or work in the following postal districts: Brussels — 1000, 1010, 1020, 1030, 1040, 1041, 1048, 1049, 1050, 1060, 1070, 1080, 1090, 1100, 1110, 1120, 1130, 1140, 1150, 1160, 1170, 1180, 1190, 1200, 1210, 1310, 1410, 1420, 1600, 1620, 1640, 1641, 1800, 1900, 1920, 1930, 1931, 1940, 1950, 1960, 1970, 1980, 1981, 1990. Antwerp — 2000, 2008, 2018, 2020, 2030, 2040, 2050, 2060, 2070, 2080, 2100, 2110, 2120, 2130, 2153, 2180, 2200, 2210, 2230, 2232, 2241, 2600, 2610, 2700, 2710.

Gent - 9000, 9110, 9820, 9830, 9831. Liege -- 4000, 4020, 4200, 4400. Leuven - 3000, 3030, 3044, 2072. Kortrijk -- 8500, 8510, 8550, 8640. Brugge — 8000, 8200.



**FINANCIAL TIMES** 



## AMEX COMPOSITE PRICES

| 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 10 Shock Distribution of the control of | Construction | Cons Stock Dis.
ATAE
ATAE
ATTAE
ATT Ci led
DWG
Demsort
DataPd .16
Demsort
DataPd .16
Demsort
Demso 6 6 7 7 15 15 23 24 14 6

**OVER-THE-COUNTER** ON. 12 CONTROL 1.12 September 1.25 CONTROL 1.12 September 1.12 Sep 대 나누는 그 사내는 한 시간에 가는 사내에 되었다. 그 사내에 가는 사람들이 되었다. 그 사내에 가는 그 사내에 가는 가는 사내에 가는 사내에 가는 가는 사내에 가는 가는 사내에 가는 사내  $\frac{1}{1}$ 16.61 17.52.52 5.54.55 5.55 5.56 16.52 17.12 9.73 17.55 17.52 17.12 5.54.5 17.52 17.54 17.52 17.54 17.52 17.54 17.52 17.54 17.55 17.54 17.52 17.54 17.55 17.55 17.

15175 K37576428 692082880 95027193 865555 Week Crimer Service C 

Malatim h

NAC RE
NEC SOR
NECOAX
NESSE SOR
NECOAX
NESSE SOR
NECOAX
NESSE SOR
NESSE SOR .1.50 .40 .12 .40 .56 .22 .350 .80 1.40 1.56 1.12 1.35 .50 Continued on Page 28

.56 1.20 .60 .05e .75 .05e 1.40 1.20 .40

#### **WORLD STOCK MARKETS**

## Dollar and takeovers boost Dow

#### Wall Street

EQUITIES AND bonds started the week on a healthier note, partly in reaction to a poor per-formance last week but encouraged by a firmer dollar, writes Janet Bush in New York

At 2pm, the Dow Jones Industrial Average stood 21.33 points higher at 2,038.76. Trading was extremely light with only around 40m shares chang-

ing bands by noon.
US Treasury bonds also traded quietly at the start of a week when markets will be holding fire until the release, on Friday, of the latest unemployment and employment figures, a series which has figured large in Federal Reserve. policy-making in recent

At midsession, bond prices were quoted as much as & point higher and the yield on

#### bond was at 9.396 per cent. **ASIA PACIFIC**

focuses of markets in the wake of last week's round of co-ordiated interest rate rises in Europe and hints from the Administration that it would feel uncomfortable with a fur-

One key boost for equities was a sudden burst of takeover activity which livened up institutional interest in trading stocks. There was also a little futures-related buying by arbi-

Two of the major news items yesterday were confirmation that First Boston and Credit Suisse are bolding talks aimed at forming a private company out of the businesses of First Boston and jointly-owned Financière Crédit Suisse First

The deal would involve the buy-back of First Boston's pub-licly-held shares, a prospect which sent the stock price up \$1% by midsession yesterday

#### two investment partnerships which already hold a 29 per The other large deal announced was the agreed takeover of Primerica by Com-

Computer issues posted healthy gains. Hewlett-Pack-ard, one of the most active stocks on the New York Stock, Exchange, added \$% to \$47%, Digital Equipment rose \$1% to \$94% and Motorola stood \$% higher at midsession at \$42%.

#### Canada

Irving Bank added \$1% to \$89 on news that Banca Commerciale Italiana had withdrawn its friendly \$84 a share offer for the bank, leaving the field clear for Bank of New York which has been fighting for months for control of Irving. Bank of New York dropped \$% to \$35%. RISING base metals and energy issues pulled Toronto share prices higher in thin, mixed trading at midsession. The composite index rose 7.9 to 3,273.3 on light volume of 8.1m

The union representing 1,600 striking workers at Falconbridge's Sudbury, Ontario, operations said it reached a contract settlement with the company on Sunday. Falconbridge rose C\$% to C\$22%.

## Trading depressed by interest rate fears

THE BANK holiday in London and an absence of economic news kept trading very quiet in major European bourses yes-terday, with shares depressed by last week's interest rate rises and the sharp overnight fall in Tokyo, writes Our Mor-

hall in Tokyo, writes Our Mar-kets Staff.

PARIS repeated the pattern of the last two trading days, closing slightly lower after recovering from early losses. A firmer opening on Wall Street helped a market depressed by worries that interest rates in the LIK and West Comment. works that interest rates in the UK and West Germany would rise again. Last week's ½ point rise in key French interest rates has left the franc no firmer within the European Monetary System.

Turnover was estimated at a very thin FFr650m, compared with FFr1.2bn on Friday, and loreign investors were virtually absent. The OMF 50 index ended 1.04 down at 344.30 after hitting a low of 343.02. The CAC index, based on opening

Cle du Midi added FFr29 to FFr1,293 after Italian press reports that Generali might appeal against the French group's defensive merger with insurer Axa, although this was described as "a bit of en old described as "a bit of an old story" by one analyst. Electrical retailer Darty jumped FFr44.40, or 9 per cent, to FFr520 amid doubts that the company controlled the 95 per

cent it requires for the planned management buyout. FRANKFURT suffered one of the quietest sessions of the year, with volume at a meagre DML02bn worth of West Ger-man shares, even lower than Friday's DML4bn. Shares ended slightly lower in direc-tionless trading with the PAZ tionless trading, with the FAZ at midsession off 1.98 at 476.67 and the DAX index closing 5.27 lower at 1,152.38.

Dresdner Bank, which plans to take a 30 per cent stake in Turkey's BNP-AK Bankasi, a joint venture with Banque

Nationale de Paris, added 80 pfg to DM257 against the trend.
Metallgesellschaft lost DM8.50 to DM288. It said production of 2,000 tonnes of primary zinc would be lost because of an accident at its main smelting plant last week.
Bonds edged higher in thin volume with the yield on the latest 10-year federal bond unchanged at 6.79 per cent.
ZURICH ended easier in slow trading, with activity limited to takeover speculation among

to takeover speculation among smaller banks and in breweries. The Swiss Index shed 8.4

Brewer Eichhof, rumoured last week to be a takeover tarlast week to be a takeover target, fell back SFr200 to SFr2,900, while Haldengut, another brewing company, gained SFr150 to SFr3,000.

AMSTERDAM picked up off its lows on Wall Street's better start, and the CBS all-share index and the CBS all-share. index ended 0.4 easier at 93.4 in exceptionally low volume.
Publisher VNU shed 50 cents

to Fi 86.50. It is expected to announced an increase of at least 30 per cent in first half profits today. Biotechnology group Gist-Brocades was steady at Fl 38.50 before its results today. Printing equipment company Buehrmann-Tetterode added 30 cents to Fl 51.50 in the wake of its profits

increase last week.
MILAN edged higher but for eign interest was virtually absent because of the holiday in London. The Comit index added 0.91 to 527.62, with Generali up L620 at L92,200. BRUSSELS finished mixed, with interest continuing in

STOCKHOLM fell slightly in lacklustre trading as dealers began to hold back for the general election on September 18. The Affärsvärlden index closed 0.4 point down at 845.6. Turnover was only SKr114m. In HELSINKI the Unitas all-share index fell a sharp 8.3 points to 721.8 in thin volume.

# Nikkei plunges in scanty volume

#### Tokyo

CURRENCY and interest rate uncertainties continued to haunt Tokyo yesterday and share prices plunged on very thin volume, writes Michiyo Nakamoto in Tokyo.

The Nikkei average lost 299.81 to 27,379.10 after moving from a high of 27,826.65 to a low of 27,358.21. It has fallen 830 points, or nearly 3 per cent, in the past seven trading days. Volume was pathetically thin at 457m shares compared with 450m on Friday and 230m on Saturday morning. Losses outnumbered gains by 560 to 250 with 185 issues unchanged.

Analysis noted a marked lack of enthusiasm. Share prices fell considerably just on small-lot selling. "The market is themeless and dangerous," said Mr Jonathan McClure, manager of institutional sales at Schroder Securities.

The strength of the dollar. coupled with sterling's weakness, caused considerable unease, and auxiety over Japa-nese interest rates is unlikely to lessen until investors feel a ceiling has been reached.

Besides these worries, analysts said several domestic events probably contributed to

yesterday's slump. There were rumours that the Ministry of Finance had asked major securities firms to keep a low pro-file in order to avoid attracting altention to the equities mar-ket. The roling Liberal Democratic Party has been facing opposition pressure to deal with recent stock trading scandals and this has steered parhamentary debates away from the controversial tax reform

the LDP is proposing.
The gains were mainly made in speculative issues. Terumo rose Y250 to Y2,250. The company makes medical instruments and has been bought recently on news that a research team it has been supporting has developed a cure

Mitsubishi Oil, another company whose shares have gained on speculative news, rose a further Y50 to Y1,060 on rumours that Saudi Arabia is interested in acquiring a stake. Tokyo Nissan Auto added Y100 to Y2,150 on the strength of its land holdings in an

for liver cirrhosis.

expensive part of Tokyo. Steel issues were largely los-ers. Nippon Steel, the most heavily traded issue with 31.53m shares, fell Y20 to Y685 and Nisshin Steel, the second most heavily traded at 28.16m

Property issues, which had attracted buying interest in the last few weeks, stayed firm in early trading, but most had lost by the close. Tokyn Land, which rose to a new high of Y1,230, up Y20, closed Y70 lower at Y1,140. Tokyu's early gain was on the strength of a membership resort club to which it started inviting corpo-

takeover of Primerica by Com-mercial Credit in a stock swap. Under the terms of the deal, Commercial Credit will exchange one common share and \$7 in cash for each Primer-ica share. Both Primerica and Commercial Credit dropped \$% the \$202, and \$242 respectively.

to \$29% and \$24% respectively.

Foodmaker jumped \$7½ to

taken private in a \$19.125 a share buy-out by a group

headed by Gibbons, Green van Amerongen, general partner of

rate subscriptions yesterday.
The bond market in Tokyo was significantly weaker in cautious trading. The yield on the benchmark 195th government bond closed up 0.98 to yield 5.35 per cent after reach-ing 5.355 per cent during the day following the yen's fall against the dollar.

#### Roundup

MOST of Asia Pacific finished weaker and Hong Kong was closed for a holiday.

AUSTRALIA fell from the start in very slow trading as demand dried up following last week's interest rate rises in Europe and sharp increases in the Australian and UK current account and trade deficits.

The All Ordinaries index lost 26.6 to 1,569.0, its lowest level since early July, in thin turn-

Industrials were hardest hit, with Adsteam down 50 cents at A\$7, Brambles 35 cents lower at A\$10.35 and News Corp off 20 cents at A\$10.35. Against the trend, Equitilink rose 2 cents to 60 cents after reporting a 10 per cent rise in net profit. SINGAPORE was under

mined by Tokyo's fall and the Straits Times industrial index ended 24.47 weaker at 1,020.30 despite some late bargain-hunt-Turnover rose to 48m shares but many

from 33m on Friday, but many investors were still sidelined in the run-up to Saturday's gen-TAIWAN ended slightly

changed at the close.

lower after rising during the session. The weighted index lost 8.18 to 7,589.75 for a fall of 624 points, or 8 per cent, in the past five days.

#### SOUTH AFRICA

DULL trading, reflecting the continued lack of any clear leads, left the market little Among the few movers were golds Southvaal, down R1 at R102, and Kloof, off 50 cents at

R31.50, as the bullion price drifted just above \$430.

#### FT-ACTUARIES WORLD INDICES

Jointly compiled by the Financial Times, Goldman, Sachs & Co., and Wood Mackenzie & Co. Ltd., in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS		FRID	AY AUGUST	26 1988		THURS	DAY AUGUST	25 1988	Ð	ALLAR IND	EX
Figures in parentheses	US	Day's	Pound	1.ocal	Gross	US	Pound	Local		T	Year
show number of stocks	Dollar	Change	Sterling	Contacy	Div.	Dollar	Sterling	Currency	1988	1988	ago
per grouping	Index	%	Index	Index	Yleid	Index	index	Index	High	Low	(approx)
Australia (87)	147,21	-33	129.14	120.68	3.76	152.31	132.87	123.89	152.31	91.16	162.95
Austria (16)	86.75	+9.0	76.11	83.95	2.48	86.72	75.65	84.03	98.18	83.72	96.84
Belgium (63)	111.44	-0.3	97.76	109.10	4.62	111.77	97.50	109.84	139.89	99.14	133.69
Canada (128)	117.53	+0.2	103.10	105.31	3.22	117.33	102.36	104.93	128.91	107.06	137.45
Derumark (39)	122.34	+0.1	107.33	118.60	2.49	122.19	106.59	119.11	132.72	111.42	122.62
Finland (26)	121.33	-1.1	106.44	112.74	1.53	122.69	107.03	114.07	139.53	106.78	l <del></del> .
France (129)	90.25	-0.1	79.17	89.30	3.64	90.35	78.82	89.67	99.62	72.77	114.57
West Germany (100)	74.17	_ <u>0.4</u>	65.07	71.66	2.58	74.44	64.94	72.10	80.79	67.78	104.27
Hong Kong (46)		-2.3	87.94	100.43	4.54	102.57	89.48	102.76	111.86	84.90	145.22
Ireland (18)	129.90	-0.2	113.96	127.20	3.74	130.19	113.57	127.88	144.25	104.60	142.61
Italy (102)	71.84	-0.3	63.02	74.10	2.72	72.07	62.87	74.49	81.74	62.99	88.61
Japan (456)	160.54	-1.2	140.84	135.68	0.53	162.57	141.82	136.99	177.27	133.61	152.58
Malaysia (36)	137.53	-24	120.65	140.71	2.63	140.84	122.87	144.06	154.17	107.83	180.88
Mexico (13)	151.15	+1.3	132.60	377.87	1.44	149.26	130.21	372.00	180.07	90.07	348.42
Netherland (38)	101.20	+0.7	88.78	96.86	4.73	100.48	87.66	96.54	110.66	95.23	129.79
New Zealand (20)	75.17	-3.3	65.95	63.54	5.89	77.77	67.85	64.54	84.05	64.42	123.86
Norway (25)	109.95	+0.5	96.45	102.41	2.94	109.44	95.47	102.20	132.23	98.55	170.19
Singapore (26)	120.34	-2.3	105.57	112.77	2.35	123.21	107.49	115.49	135.89	97.99	171.73
South Africa (60)	115.65	+0.7	101.46	87.94	4.90	114.89	100.23	88.45	139.07	109.87	175.93
Spain (43)	143.90	-0.4	126.24	133.92	3.37	144.49	126.05	134.81	164.47	130.73	156.99
Sweden (35)	112.31	-0.2	98.52	106.78	2.67	112.53	<del>9</del> 8.16	107.32	125.50	96.92	127.92
Switzerland (55)	76.03	+0.3	66.70	73.93	2.32	75.82	66.15	73.65	86.75	74.82	107.89
United Kingdom (324)	124.89	-1.3	109.56	109.56	4.63	126.49	110.34	110.34	141.18	123.09	150.30
USA (580)	106.13	+0.2	93.10	106.13	3.75	105.95	92.43	105.95	112.47	99.19	133.64
Europe (1013)	101.40	-0.6	88.96	94.20	3.86	102.07	89.04	94.71	110.82	97.01	126.37
Pacific Basin (671)	157.62	-1.4	138.28	133.65	0.74	159.79	139.39	135.06	172.26	130.81	152.67
Euro-Pacific (1684)	135.14	-1.1	118.55	117.94	1.68	136.70	119.25	119.00	147.53	120.36	142.23
North America (708)	106.73	+0.2	93.63	106.09	3.72	106.55	92.95	105.90	113.29	99.78	133.84
Europe Ex. UK (689)	86.75	-01	76.11	84.72	3.20	86.86	75.77	85.05	92.99	80.27	111.53
Pacific Ex. Japan (215)	122.45	-3.0 (	107.43	108.23	4.01	126.20	110.10	110.92	128.27	87.51	153.74
World Ex. US (1885)	134.35	-n	117.86	117.33	1.76	135.82	118.49	118.34	146.49	120.26	142.56
World Ex. UK (2141)	123.28	-0.6	108.15	113.83	2.18	124.06	108.22	114.41	131.77	111.77	137.96
World Ex. So. Af. (2405)	123.45	-0.7	108.30	113.59	2.39	124.31	108.45	114.19	132.39	113.26	138.82
World Ex. Japan (2009)	105.60	-0.3	92.64	102.06	3.79	105.88	92.37	102.26	112.43	100.00	132.59
The World Index (2465)	123,41	-0.7	108.26	113.42	2.40	124,26	108.40	114.02	132.38	113.37	139.05

Base values: Dec 31, 1986 = 160; Finland: Dec 31, 1987 = 115.037 (US \$ Index), 90.791 (Found Sterling) and 94.94 (Local) Copyright, The Financial Times, Goldman, Sachs & Co., Wood Mackenzie & Co. Ltd.1987 'Latest prices were mayallable for this edition.

## REINSURANCE

Financial Times proposes to publish a Survey on the above on

#### 5th September 1988

For a full editorial synopsis and advertisement details, please contact:

#### D REED & **B KELAART**

on 01-248-8000 ext 3461 or 3266

or write to them at:

Bracken House, 10 Cannon Street London EC4P 4BY.

FINANCIALTIMES

#### FT GUIDE TO WORLD CURRENCIES

COUNTRY	£ STG	n, where us USS	D-MARK		rwise. In some cases ma	rket rates £ STG	nzve been c US 5 .	D-MARK	YEN	COUNTRY	£ STG	85 S	D-MARK	YEN
<b>405</b> 11111				YEN CX 100)					OX 100)		70.5		- 112 1111	CC 100)
Afghanistan (Afghani Albania (Lek	99.05 10.05	58.6094 5.9467	31,5445 3,2006	43.8274 4.4469 4.8274	Greenland (Danish Krone) Grenada (E Carr \$)	4.55	7.1272 2.6923 6.3076	3.8359 1.4490 3.3949	5.32% 2.0132	Peru (teti)	55.6500o 351.96a	32.9289 208.2603	17,7229 112,0891	24.6238 155.7345
Algeria (Dinar	10.91	6.4556	3.4745		Guadaloupe (Local Fr) Guaro (US S)	10.6600	6.3076 1	3.3949 0.5382	4.7168 0.7477	Philippines (Peso)	34.40	20.3550	10,9554	15.2212
Andorra (Fr Fr. (Sp Peseta	207.60	122,8402	3.3949 66.1146	4.7168 91.8584	Guatemala (Quetzal)		1 2.6290	0.5382 1.4150	0.7477 1.9659	Pitcains is (£ Sterling) (NZ \$)	1.00 2.6825	0.5917 1.5872	0.3184 0.8542	0.4424 1.1869
Angola (Kwanza Antigua (E Carr S	\$1.5170 4.55 20.1705	30.4834 2.6923	16.4066 1.4490	22.7951 2.0132	Guinea (Fr)	506.10	299.4574 648.8461	161.1783	223.9380 485.1991	Potand (Zloty) Portugal (Escudo)	25B.50	465.4378 152.9585	250.5063 82.3248 0.5382	348.0486 114.3805
Argentina (Australi Annha (Florini	3.02	11.9352 1.7869 1.2289	6.4237 0.9617 0.6614	2.0132 8.9250 1.3362	Guinea-Bissau (Peso) Guyana (Guyanese \$)	1096.55 15.1920	8.9893	349,2197 4,8382	485.1991 6.7221	Poerto Rico (US\$)		1		0.7477
Austria (Schilling	2.0770 22.075	13.0621 152.9585	7.0302	0.9190 9.7676	Haiti (Goude) Honduras (Lempira)	8.4350	4,9911 1.9958	2.6863 1.5742	3.7323	1 -	6.1700	3.6508	1.9649	2.7300
Azores (Port Escudo		1254262	82,3248	114.3805	Hong Kong (HK 5)	13.1453	7.7782 54.2388	4.1864 29.1922	1.4924 5.8165 40.5591	Romania (Leu)		6.3076 8.7455	3.3949 4.7070	4.7168 6.5398
Bahamas (Bahama S Bahrain (Dinar) Balearic is (Sp Peseta)	0.6390	0.3781 122.8402	0.5382 0.2035	0.7477 0.2827 91.8584	Humgary (Forint)	78.82	46,6390	25.1019	40.3372 34,8761		134.5032	79.5876	42.8354 1.4490	59.5146 2.0132
Rangladesh (Taka)	52.80 3.3931	31.2426 2.0077	66.1146 16.8152 1,0806	23.3628 1.5013	India (Indian Rupee) Indonesia (Rupiah)	24.OD	14.2011 1708.4201	7.6433 919.5000	10.6194 1277_5353	St Christopher (E Carr S) St Helesa (E) St Lucia (E Carr S)	1.00	2.6923 0.5917 2.6923	0.3184	0.4424 2.0132
Beiglom (Beig Fr	65.85c	38,9644	20.9713	29.1371	그 (25) 그 (25) [	2887,230 120,50 0,5247	71.3017	38.3757 0.1671	53.3185	St Lucia (E Carr S) St Pierre (French Fr) St Vincest (E Carr S)	10.6600	6.3076 2.6923	1.4490 3.3949 1.4490	4.7168 2.0132
Belline (B.S.	67.10g 3.3740	39,7041	21,3694 1,0745	29,6902	iraq (iraq) Dinar) - irish Rep (Punt)   Israel (Shekel)	2.1755	0.3104 0.6955 1.6449	0.3743 0.8853	0.5201 1.2300	San Marino Otalian Lira) Sao Tome (Dobra)	2334.25	1381,2130 76,9349	743 3917 41 4076	1032 8539 57.5309
Benia (CFA Fri Bermuda (Bermudian S	533.00	1.9964 315.3846 1	169.7452 0.5382	1.4929 235.8407 0.7477	Italy (Lira) Isory Coast (CFA Fr)	2.7800 2334.25 533.00	1381,2190 315,3846	743.3917 169.7452	1032.8539 235.8407	Saudi Arabia (Riyal) Senegal (CFA Fr)	6.3260	3.7431	2 0146 169.7452	2.7991 235.8407
<u>Bhatan</u> (Ngaltrum) Bollvia (Boliviano)	24.00 4.25	14.2011 2.5147	7,6433 1,3535 1,0541	10.6194 1.8805 1.4646	Jamaica (Jamaican S)	9.1150	5.3934	2 9028	4.0331	Seychelles (Rupee) Sierra Leone (Leone)	9.30	315,3846 5,5029 35,9585	2,9617 19,3535	4.1150
Botswana (Pala) Brazil (Criszado)	475.450	1.9585 281.3313	151.4171	210.3761	Japan (Yen) Jordan (Jordanian Disar)	226.00 0.6360	133.7278 0.3763	71.9745 0.2025	100 0.2814	Singapore (S)	3.4258 3.6034	2.0271 2 1321	1.0910 1.1475	26.8893 1.5158 1.5944 134.3628
British Virgin is (USS) Brunel (Brunel S Bulgaria (Levi	1.6900 3,4258 1,4461	2.0271	0.5382 1.0910	0.7477 1.5158	Kampuches (Riel)	169.00	100	53.8216	74.7787	Somail Rep (Shilling) South Africa (Rand)	_303.66	179.6804 2.4091	96.7070	
Burkino Faso (CFA Fr)	533.00	2.0271 0.8556 315.3846	1.0910 0.4605 169.7452	0.6398 235.8407	Kenya (Kenya Shilling)   Kiribati (Australian S)	30.80 2.0770	18.2248 1.2289	9,8089 0,6614	13.6283 0.9190	<u> </u>	5.8600g	3.4674	1.2966 1.8662	1.8015 2.5929
Burma (Kyati Burmdi (Burmdi Fr	11.2754 265.14	6.6718 156.8875	3.5908 84.4394	4.9891 117.3185	Korea North (Won) Korea South (Won)		0.9682 724.9112	0.5211 390.1592	0.7240 542.0796	Spain (Peseta) Spanish Ports in		122.8402 122.8402	66,1146	91.8584 91.8584
Cameroon (CFA Fr		315,3846	169.7452	235.8407	Knwait (Knwaiti Oinar)	0.4802	0.2841	0.1529	0.2124	N Africa (Sp Peseta) Sri Lanka (Rupee) Sodan Reo (C)	207.60 \$5.20 7.5915	32.6627 4.4920	66.1146 17.5796	71.0304 24.4247 3.3590
Canadian (Canadian S) Canary is (Sp Pesetal Cp. Verde is (CV Escado)	207.60	1.2431 122.8402	0.6691 66.1146 40.5578	0.9296 91.8584 56.3502	Lans (New Kip) Lebanon (Lebanese D Lesatho (Maluti)	590.450 621.42 4.0715	349,3786 367,7041 2,4091	188.0414 197.9044	261.2610 274.9646 1.8015	Surinam (Gulider)	30113	1.7818 2.4091	2.4176 0.9590 1.2966	1.3324 1.8015
Cavatao S (C) 20	1,4002	0.8285	0.4459 169.7452	0.6195	Lesotho (Mainti) Liberia (Liberian S) Libya (Libyan Dinar)	1.6900 0.4992	1	1.2966 0.5382 0.1589	0.7477	Sweden (Krona) Switzerland (Fr)	4.0715 10.8550 2.6500	6.4230 1.5680	3.4570 0.8439	4.8030 1.1725
Cent.Afr. Rep CCFA Fri Chad (CFA Fri Chile (Chilean Peso)	533.00	315,3846 245,8402	169.7452 132.3152	235.8407 235.8407 183.8362	Lichenstein (Swiss Fr)	2.6500 65.85	0.2953 1.5680 38.9644	0.8439 20.9713	0.2208 1.1725 29.1371	Syria (D	35.4270	20.9627	112824	15.6756
China (Resminti Yuan)	6.2940	122.8402 75.3669 0.8285 315.3846 315.3846 245.8402 3.7242 309.6390	2,0044	235,8407 183,8362 2,7849 231,5442 235,8407 235,8407 57,4380 0,5684 0,3593	Mazao (Pataca)	13.5593	8.0232	4 3182	5.9996	Taiwan (S) Tanzania (Shilling)	48.8750 176.00	28.9201 104.1420	15.5652 56.0509	<u>21.6261</u> 77.8761
Comoro is (CFA Fr) Congo (Brazz) (CFA Fr) Costa Rica (Colon)	533.00 533.00 129.81	312.3046	169.7452 169.7452 41,3407	235.8407 235.8407	Madelra (Port Escodo) Malagasy Rep (MG Fr)	258.50 2110.00	152,9585 1248,5207	82 3248 671.9745	114.3805 933.6283 1.9933	Thailand (Baht) Togo Rep (CFA Fr)	42.70 533.00	つと つととつ	13.5987 169 7452	18.8938 235.8407
CHAR COMM PERM	1.25985	76.8106 0.7602 0.4805	41,3407 0,4091 0,2586	<i>57,4</i> 380 0.5684	Malawi (Kwacha) Malaysia (Rioggit)	4,5050 4,4750	1248.5207 2.6656 2.6479 10.0820	1.4347 1.4251	1.9933 1.9800 7.5392	Tonga IS - 172 Angau   Trinidad/Tobaco - (S)	7.1698	315,3846 1,2289 4,2424 0,9064	0.6614 2.2833	0.9190 3.1724
Capros Cypres C Crecheslovskia (Koruna)			2.9617 5.1560	4 1150	Mail Res (CFA Fr)	17.0387 533.00	10.0820 315.3846	5.4263 169.7452	7.5392 235.8407	Tupisia (Dinar) Turkey (Lira)	1.5319 2585.17 1.6900	1529.6863	0.4878 823_3025	0.6778 1143.8805
	9,30c 16,19i 15,58t	5.5029 9.5798 9.2189	5 1560 4 9617	7.1 <u>63</u> 7 6.8938	Maita (Maitese D Martinique (Local Fr)	0.5750 10.6600	315,3846 0,3402 6,3076	0.1831 3.3949	235.8407 0.2544 4.7168	Turics & Calcos (US \$) Tuvalu (Australian \$)	2.0770	1.2289	0.5382 0.6614	0.7477 0.9190
Denmark (Danish Kroner)	12 0450	7.1272	3.8359		Mauritania (Ougulya) Mauritius (Maur Rupee)	125.30 23.63	74.1420 13.9822	39.9044 7.5254	55.4424 10.4557	Uganda (New Shifting) U.A.E (Dirtiam)	251.11 6.1963	148,5857	79.9713 1.9733	111.1106 2.7417
Djibouti Rep (Djib Fr) Domjujca (E Carrib Si	295.00 4.55	173.3727 2.6923 4.9881	93.3121 1.4490 2.6847	5,3296 129,6460 2,0132	Mexico (Mexican Peso)	3856,18a 3807,56d	2281.7633 2252.9940	1228.0828 1212.5987	1706.2743 1684.7610	United Kingdom (C) United States (US S)	1.00	3.6664 0.5917 1	1.9733 0.3184 0.5382	2.7417 0.4424 0.7477
Dominican Rep (D Peso)	8.43	4.9881	2,6847	3.7300	Miquelon (Local Fr) Monaco (French Fr)	10.6600 10.6600 5.6607	6.3076 6.3076	3.3949 3.3949	4.7168 4.7168	Uruguay (Peso) USSR (Rooble)	641.71	379.7100 0.6340	204.3662 0.3412	283.9424 ().474).
Ecuador (Sucre)	420.780 862.65a	248,9822 510,4437	134.0063 274.7292	186.1858 381.7035	Montserrat. (E Carr S)	4.55	6.3076 3.3495 2.6923	3.3949 3.3949 1.8027 1.4490 4.5318	4.7168 2.5047 2.0132 6.2964 437.2743	Vanestu (Vatu)	169.00	100	53.8216	74.7787
Egypt (Egyptiae £) El Satvador (Colon)	3.9000	2.3076 4.9896 315.3846	1.2420 2.6855	1.7256	Morocco (Dicham) Mozambique (Metical)	14.2300 988.24	8.420 <u>1</u> 584.7573	4.5318 314.7261	437.2743	Vetican (1,1ra) Venezuela (801/var)	2334.25 24.4615e 12.6525p	1381 2130 14,4742	743.3917 7.7902	1032.8539
Equat'i Guiusa (CFA Fr) Ethiopia (Ethiopian Birr)	533,00 3,4678	315.3846 2.0519	169.7452 1.1043	3.7311 235.8407 1.5344	Namibia (SARand) Nauru is (Anstralian S)	4.0715 2.0770	2,4091 1,2299	1.2966 0.6614	1.8015 0.9190		12.6525p 61.47i	7.4866 36.3727	7.7902 4.0294 19.5764	5.5984 27.1991
Falkland is (Falk 6)	100	_			Nepal (Nepalese Rupee)	2.0770 37.62 3.5450	22 2602	11,9808	74 4ALO	Vietnam (Dons) Virgin is-British (US 5) Virgin is-US (US 5)	620.82 3.6900	367 <i>.</i> 3491 1	197.7133 0.5382 0.5382	274.6991 0.7477
Farne is (Danish Kroeer) Fiji is (Fiji S)	12.0450 2.4273	0.5917 7.1272 1.4362 4.4143	0.3184 3.8359 0.7730	0.4424 5.3296 1.0740 3.3010	N'ad Antilles (A/Guilder)	3.02 2.6825	1.7869 1.5872	0.9617 0.8542	1.5685 1.3362 1.1869 59.6991 235.8407		1.6900	1		0.7477
Finland (Markka)	10.6600	4,4143 6,3076 315,3846	2 3758 3 3949 169 7452	4 71AR	Nicaragua (Cordoba) Niger Rep (CFA Fr)	134.92 533.00	2.0976 1.7869 1.5872 79.8343 315.3846 4.5660	0.9617 0.8542 42.9681 169.7452	59.6991 235.8407	Western Samoa (Tala)		2.0591	1,1082 5,5063	1.5398 7.6504
Fr. Cu/Africa (CFA Fr) Fr. Guiana (Local Fr) Fr. Pacific is (CFP Fr)	30.6600	315.3846 6.3076 110.6508	169,7452 3,3949 59,5541	235.8407 4.7168 82.7433	Notia (Mara)	7.7167 11.5975	4.5660 6.8624	2.4575 3.6934	3.4144 5.1316		17.29 0.5786 4700.20	10.2307 0.3423 2781 1834	0.1842 1496.8789	7.6504 0.2560 2079.7345
Fr. Pacific is 4CFP Fr  Cabon (CFA Fr)	387.00 533.00	315.3846		200 5467	Oman (Rial Omani)	0.6525	0.3860	0.2078	0.2887			201_1739	108 2751	150 4353
Gambia (Dalasi) Gaman East (Ostmark)	11.98 3 1400	7,0887 1,8579	169.7452 3.8152 1	5.3008 1.3893	Pakistan (Pak Rupee) Panama (Balboa)	30.40 1.6900	17.9881 1	9.6815 0.5382	13.4513 0.7477	Zambia (Kwacha) Zimbabwe (S)	339.9840 13.10 3.1300	7.7514 1.8520	41719 9.9968	5.7964 1.3849
Germany West (DMark) Ghana (Cadi)	3.1400 383.07	1.8579 226 6686	1 121.9968	1,3893 169,5000	Papus New Goines (Kina)	1.4515	0.8588 319.3372	0.4622	9.6422 238.7964		-			
Gibraitar (Gib-D) Greece (Dractona)	1.00 255.05	0.5917 150.9171	0.3184 81.2261	0.4424 112.8539	Paragusty (Guarani)	539.680 1581.10a	935.5621	171.8726 503.5350	699.6017	Ĺ <u></u> .				<del></del> .

# TRADEINDEMNI

CREDIT RISK MANAGEMENT SERVICES 01-739 9939





#### The threat of global factory networks

UDI, BMW, Jaguar, Porsche, Volvo and Rurope's other luxury car makers are in trouble in the United States, their all-important export territory. Market stagnation, the resulting discount war, and the weak dollar have combined to hit both sales and profits with unusual viciousness, and to threaten jobs back home. Announcing a 10 per cent

job cut this month as part of a three-year productivity drive, Jaguar's chairman, Sir John Egan, revealed that each 10 cent fall in the dollar against sterling was knocking £35m off its bottom line. The full effect of the dollar's weakness

was all too evident in last Fri-day's poor profit statement. The company has already made famous improvements in quality, productivity and mar-keting under his tutelage, and has obviously done its best to cover itself against forward exchange risk. Yet it is still prey to the wild currency fluc-tuations which bedevil export-

By pure coincidence, the sudden predicament of Jaguar and its lik is highlighted by a long-planned article on "cop-ing with unpredictable currencies" in the summer edition of the McKinsey Quarterly. As its final sentence warns, "remem-ber, a few months of currency shifts can wipe out hard-won gains made through technology investment or productivity

The article, by Christian Caspar and Staffan Hertzell, two of the firm's Swedish con-sultants, ranges widely across industries and is directed at large multinational manufac-turers, rather than at the Jag-uars of this world. But it holds uncomfortable implications for

them all the same. In essence, its message is that large companies must stop treating currency fluctuations as contingency risks, and look on them instead as a fundamental source of long-term advantage — a strategic oppor-tunity, in today's jargon. Instead of just hedging via

the forward exchange market or using currency options, companies which can standardise either their components or their products (preferably both) should construct factory networks around the world between which sourcing can be switched almost at the drop of a dollar or a pound.

#### Difficult balancing act for companies

To be able to plan for, and implement, this difficult bal-ancing act, companies must be able to meet a long list of conditions. The well-worn question of whether or not they can persuade internationa consumers to buy standard finished products is less central than it might seem, since "globalisation" can be a pow-erful force even at the component level.

Another precondition is the readiness to forego, for the benefit of the business's over all system, the sub-system efficiency advantages which it can still gain from large, inflexible plants. A third is the possession of unusual organi-sational flexibility and cohe-

As the consultants point out, mass manufacturers such as Ford and Honda now seem to be trying to develop busi-ness systems which will allow them to shift the production of identical sub-assemblies, or even cars, between different locations according to current cost: Ford and GM already have a limited ability to do this within Europe, as does

IBM worldwide.
At present, such flexibility is very much at the margin; with the exception of some of the Japanese consumer elec-tronics makers, few multinationals of anything other than commodities can shift much of their internal sourcing around in much under two years (hence, in part, the fashionable shift towards out-sourcing). But several western giants are now building overcapacity into their factories in order to accommodate short-term cur-

rency swings.
If the motor industry majors can make this practice work, it will become a potential competitive disadvantage to Jag-uar and other medium-sized specialists, especially as the Japanese move up into their heartland. It will add to existing pressure on the specialists to accept the embrace of the giants, and become part of their component and logistics networks, at the very least.

Christopher Lorenz

# Business Spending money for the longer term

Peter Marsh meets Sir Paul Girolami, the chairman of Glaxo

here is no short term without the long term. If we had not taken a long-term view 10 years ago, we would not be where we are now.'

There is a certain incontest-able logic about the way Sir Paul Girolami conveys his views about running a business. Sir Paul is chairman of Glaxo, which has leapt from being an industrial also-ran in the 1970s to become the world's fourth biggest pharmaceutical concern.

The 62-year-old Sir Paul, the son of an Italian mosaics craftsman, is widely credited with masterminding Glaxo's climb. He is generally respected in the pharmaceuti-cal industry and was knighted in the last New Year's honours

Amongst the financial community, however, he has his detractors. Some accuse Sir Paul, who came to Britain when he was two and joined Glaxo in 1965 after a back-ground in accountancy, of arrogance and of neglecting short-term profitability at the expense of planning for the next decade.

One well-placed City observer says: "He is an excel-lent strategic thinker and an excellent manager. But he would rather run his business without the shareholders." Another says: "I admire him. In the way he thinks ahead he does not really represent the British approach to industry. He reminds me of a Venetian prince planning a long cam-

paign."

The company's £1.7bn pharmaceutical sales last year were a little more than half those of Merck of the US, the world's biggest drug company, and slightly behind those of the US's American Home and Swit-US's American Home and Switzerland's Ciba-Geigy, the next two companies in the league table. While these two concerns are conglomerates whose prescription drugs sales are a relatively small part of their turnover, Merck and Glaxo are regarded as pharmaceutical thoroughbreds.

It is clear that Sir Paul sees things this way too. "We're aiming at Merck," he says. "We are number two to them in

This is where the City criti-cism comes in, from those who see Glazo as having done a great job in the past decade but now being carried away with its own success. These com-mentators believe the company is obsessed with becoming the world's number one pharma-ceutical company and has little regard for such niceties as

regard for such niceties as earnings-per-share growth.

The rebukes piled up in April, when Sir Paul coolly amounced that Glaxo planned to splash out, by the early 1990s, £1bm on new research and development (R&D) facilities, with half this going on a single laboratory site at Stevenage, north of London. At the root of the peevishness was the complaint — a sign, some

#### PERSONAL FILE

1926 Born in Fanna, Italy 1950 Graduated with economics degree from London School of Economics. Joined Chantrey and Button, accountants.

1954 Worked as accountant at Coopers and Lybrand 1965 Joined Glaxo as financial controller
1968 Glaxo finance director Glazo chief executive Became Glaxo

would say, of the short-ter-mism often associated with Britain's financial institutions that instead of spending all this cash on research Glaxo should be thinking about increased dividend payments. Sir Paul rejects the criticism.

"A billion pounds may sound a lot of money, but for us it's not much more than a year's profit. It would be a poor show if we didn't invest. We wouldn't have anything to do with the idea of bolstering short-term profits at the expense of the company's

The Glaxo chairman goes on to say that "most sensible peo-ple" in the City support his view. A hint of the condescend-

community - enters his voice when he says: "It's only the vocal minority which takes the short-term approach. After all if you are a dealer (in shares) then the furthest you look ahead is five minutes."

ahead is five minutes."

Any suggestion that Glaxo is profligate receives an equally stern reply. "We are workled, not luxury-led. Every £1 we spend is on ideas that are worth following up."

Drugs development, says Britain's pharmaceutical overlord, is inherently expensive. "If research costs rise it is only because we make them rise.

because we make them rise. We are working on AIDS, can-cer, conditions of the nervous system. We have still got a long way to go in terms of treating disease. If you are frightened by the emotional content of spending 15 per cent of your turnover on research (the norm in the drugs busi-ness) then you shouldn't be in the industry."

A discussion about Glazo's

future inevitably touches on whether it can repeat the stun-ning success of Zantac, the company's anti-ulcer product which with annual sales of more than \$1bn is the world's more than \$1bn is the world's biggest selling drug. Sir Paul says Glaxo is unlikely to come up with another similar smash hit, though he points to a number of promising formulations passing through the company's R&D pipeline. He is anxious to stop people expecting too much from Glaxo. "It's not possible to think that Glaxo can grow as fast as it did in the past. If we did this over the next 10 years we would not only be the

years we would not only be the biggest pharmaceutical company; we'd be bigger than the whole of the industry."

Britain has a big and profitable drugs sector. Besides Glaxo, the country has other international class pharmaceuinternational-class pharmaceu-tical concerns in the shape of Imperial Chemical Industries, Wellcome and Beecham. Given that the UK has a generally poor record in other science-based industries such as microchips, computers and materials engineering, what are the factors behind this success?

Sir Paul thinks the intrinsi-cally international competition ing attitude — which, his detractors claim, colours his UK industry to think globally thinking of the investment and focus on marketing excel

lence. "It is no good discovering a drug without trying to sell it around the world. The industry has been dominated by the Swiss, the Germans and the US. This has forced the Britain to take an international view and make the most of what they discover. The (Brit-ish) car industry never faced this kind of competition and ended up with a different

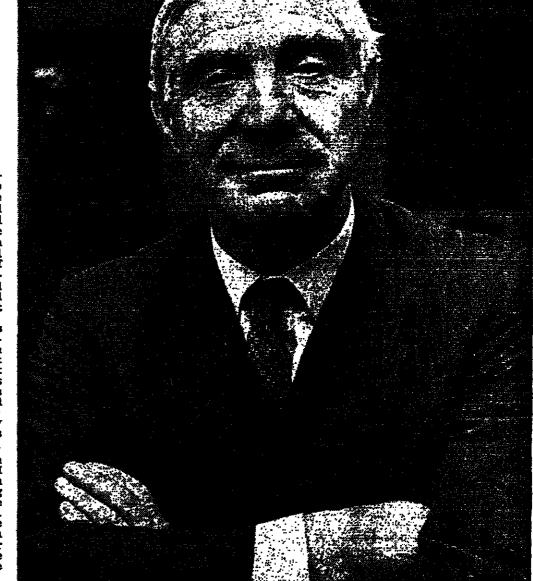
Marketing, says Glaxo's chairman, is extremely important. "There was nothing in Zantac's elements that made it Zantac's elements that made it a \$1bn drug. We made it that product." Much of the success lay in the company's sales campaigns, which it repeated for other drugs, in the US — which now accounts for hearly two-fifths of the company's revenues

What is Sir Paul's approach to marketing? "I'm afraid I can't answer the question in any detail. To do a marketing job properly you have to be free to use your imagination. You have to use any device open to you that will help. You have to be realistic about your own strengths and about those of the product. And you have to work your brain hard.

The worldwide pharmaceuti-

cal business, although a suc-cessful industry which has had a generally positive effect on people's standards of health, has an image problem. In the public mind it is associated as often with drugs that cause unwanted side effects as with those that save lives. The large cash surpluses of many of the big companies give the indus-try's critics the chance to accuse it of profiteering from

Sir Paul says the image "worries me at times." But he says: "We are in a society with all its faults. We can't hive ourselves off from it. Healthcare is about politics and ideology and the issues can get emotional. And in the past medications have been associated with charlatans, aphrodisiacs, ton-ics - that kind of thing. Some of the attitudes seem unfair



If research costs rise it is only because we make them rise'

but I don't know what we can directors (of a company like

How does Sir Paul, with his finance background, cope with the proliferation of medical and scientific advances on which his industry depends? He says he does not bother even to try to understand the latest thinking in these fields. "It's important for some of the

Glaxo) to remain ignoramuses in such matters. Of course, I ask the scientists questions. They probably think 'Silly sod, what does he know about that' but the questions do seem to stimulate them and set the

The Glavo chairman does admit however, to getting excited about the broader aspects of drug discovery. He is especially bullish when it comes to discussion about a new anti-migraine product which the company hopes to be selling in the 1990s. "Look at conditions like senility, cancer, heart disease: sooner or later there will be breakthroughs in all these areas and we hope to play a part in them.

# The hidden iceberg of complaints

he complaints industry grows apace. Almost every day another con-sumer service acquires an be an ombudsperson?) Additionally, former or current ombudsmen are being given new powers of procedure for the handling of complaints received from the public. The latest to undergo refurbishing since its beginnings in 1974 is the Commission for Local Administration in England.

The stimulus for change has come from two sources - a research study from three acalemics at Sheffield University and a segment of the Widdi-combe Report, The Conduct of Local Authority Business, to which the government responded last month in a detailed White Paper.

The Sheffield study was

forthright in its survey of the current scene. It said that severe deficiencies in local gov-ernment administration still exist, although local authorities had been advised to adopt clearly established and wellpublicised machinery for handling complaints from mem-bers of the public.

The study is critical of local authorities for not having heeded the advice, but in characteristic English fashion the complaining public had been sympathetically treated mainly as a "result of a benign culture and a web of informal griev-ance handling." The study went on to identify a "disturb-ing residue of dissatisfaction from those with experience of complaining."

There are appears to be a There are appears to be a submerged body of complaints "which administrative cultures helped to suppress." Only by well publicised and accessible complaints procedures will complete public satisfaction be achieved. To such matters the three Local Ombudsmen in England have addressed them-selves in their recent annual report for 1987-88. And the Local Government Act 1988 has partially responded to the promptings from the Local Ombudsmen for change.

Until the new act came into force in May of this year complainants to the Local Ombuds-men had to be referred through



#### JUSTINIAN

a member of the local authority complained against, unless there was evidence that a Councillor had been asked to refer the complaint but had not

Now members of the public can have direct access to the Local Ombudsmen. Recently suggestions have been made that child abuse cases should be conducted by Local Ombudsmen. Such investigations are already carried out by Local Ombudsmen but only in response to a formal com-plaint. An amendment to the law would be necessary to provide that, in the absence of a formal complaint, the Local Ombudsmen should be empowered to initiate investigation.

Without amending legislation it might be provided to

tion it might be possible to invite a body like the National Children's Bureau to lodge a formal complaint of maladministration against the local The Widdicombe Report rec-

ommended ad hoc investiga-tions at the instigation of Local Ombudsmen. It argued that this would shine the Ombudsman's torch into the dark recesses of local government and would offset disinclination of certain groups to initiate complaints. The government has rejected this recommendation on the ground that it would violate the principle of ombudsmanry that its purpose is not to act as a bloodhound or watchdog but as a receptacle for remedying personal injustices on the complaint of

ggrieved persons.

If the Local Ombudsmen are not to have a wider role of investigation of maladministration by local authorities, neither are they to have enforce-

ment powers for their findings Since the Local Ombudsmen came into existence in 1974 there have been 150 cases where a local authority has failed to provide a satisfactory remedy following an adverse finding of injustice to the com-plainant caused by maladmin-

non-compliance of 5 per cent. Although this is a small failure rate for a voluntary system it represents a source of particular grievance by complainants that a local authority, having in effect been found guilty, pays no penalty and provides no remedy.

The Widdicombe Report recommended that Local Ombuds-men should be able to enforce their findings of injustice caused by maladministration through action in the courts. Judicial enforcement of remedies seems the logical step to take whenever a local author-ity refuses to comply with findings that call for a remedy. But this too would alter the funda-mental nature of the ombuds-man system, which is to oper-ate an informal, simple investigatory process. That breach in the essentially informal procedure would be less objectionable in principle than it would be in practice.

Once the legal system is in play to provide a back-up to the investigatory process, that process necessarily ceases to be wholly informal. Faced with the element of judicial sanction when deciding the fate of a successful complainant, local authorities would be likely to demand more formal proce-

At present investigators on the commission staff interview the complainant and relevant local authority officials in private. No official is ever named in a report and the responsibility for any act of maladminis tration is exclusively a collective one on the corporate personality of the local author-ity. If the whole investigation ity. If the whole investigation exercise were to be injected with a dose of legalism, that in turn would make the process lengthier, costlier and cumbersome. The essential simplicity and flexibility of ombudsmanry would be lost.

# Loday, your securities have to swim in international waters.

If your securities are going to glide smoothly through the world's markets, today you will need global support services delivered by an institution that is at home in those waters.

For many trustees and paying agents, the world begins and ends with

Eurobonds. Beyond that, it is all reefs and shoals.

Bankers Trust has more on-the-spot expertise in multicurrency securities, in local payment practices, in the whole ocean of overseas complexities. And nobody handles them with a more relentless emphasis on quality.

We have our own dedicated Corporate Trust and Agency groups in London, Luxembourg, New York, San Francisco and Hong Kong.

And when you deal with Bankers Trust, you know you are

Grade Lan

dealing with a professional team of specialists.

Today, we service over \$300 billion in securities in 43 countries. A call to Ed Greene on (01) 382 2855 may well make you want to add your securities to that total. With us to support you, you'll get along swimmingly.

# **Bankers Trust Company**

Corporate Trust and Agency Group: London Luxembourg New York San Francisco Hong Kong